

MULTIFAMILY

APPENDIX

Explanatory Notes To Schedule 10-B

Income Limits

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Construction Only / Construction And Permanent Financing Document Checklist

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Affirmative Housing Marketing Plan

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Personal Questionnaire

NOTE: Changes to the form 10, Schedule B may cause changes in tax credit proceeds which may necessitate a subsequent adjustment to the form 10. Please contact the HMFA for technical assistance if needed.

EXPLANATORY NOTES TO SCHEDULE 10-B: ESTIMATED DEVELOPMENT COSTS AND CAPITAL REQUIREMENTS

The following pages provide guidance for completing Schedule 10-B of the HMFA pro forma commonly called the Form 10. The HMFA has many form 10s dependent upon the specific mortgage loan program for which you are applying. The explanatory notes attached are for the most common program for which the HMFA receives requests (tax-exempt-permanent). Upon submission of the application fee, which varies by department, you will be assigned a credit officer that will help you with any specific questions regarding the completion of the form 10 that are not addressed in the attached notes. For general assistance on the proforma call 609-278-7519.

The types of form 10s available to you are listed below. Please use the form 10 that meets your project needs. The UNIAP found on the HMFA website can be used for most applications however, if you are applying for Special Needs funding, you should contact the Special Needs Division at 609-278-7603 to have the correct form 10 e-mailed to you for your completion. If you are applying with a HOPE VI, Preservation or Conduit project, contact the Multifamily Programs and Lending Division at 609-278-7519 to have the correct form 10 emailed to you.

- A. Multifamily Projects (two types of form 10s)**
 - 1) Construction Only and Construction and Permanent Financing – with or without tax credits**
 - 2) Permanent Only loans – With or without tax credits**
- B. Preservation Funding (there is one type of Form 10s)**
 - 1) Construction and Permanent –purchase or refinance- with or without tax credits**
- C. Special Needs Funding (there are two types of Form 10s)**
 - 1) Construction Only and Construction and Permanent Only financing – with or without tax credits**
 - 2) Permanent Only – with or without tax credits**
- D. HOPE VI Projects (there is one form 10 to be used for all types of loan purposes, i.e., Construction Only, Construction and Permanent, Permanent Only (all with or without tax credits))**
- E. Conduit Projects (there are two types)**
 - 1. Multifamily - used for Construction and Permanent, Permanent Only – with or without tax credits.**
 - 2. Preservation – purchase or refinance- with or without tax credits**

NOTE: If you are completing the form 10 in Excel, you should be aware that it is protected as it has many macros and formulas within it. You should not try to override the formulas. They are meant to

provide the minimum dollar amount that the HMFA looks for when underwriting. If you believe the Form 10 estimate is too high, you will have an opportunity to discuss it with the Credit Officer that has been assigned to your project. Many of these numbers are estimates and once solid numbers have been determined, corrections and changes can be made.

You may also complete the form 10 by hand and avoid the formulas completely.

EXPLANATORY NOTES TO SCHEDULE 10-B: ESTIMATED DEVELOPMENT COSTS AND CAPITAL REQUIREMENTS.

1. SOURCES OF FUNDS DURING CONSTRUCTION

List all funding sources to be used during the construction of the project and indicate for each whether it is a grant or a loan. If a loan, indicate whether or not it must be repaid from project revenues using a “y” for yes and an “n” for no. If it is a grant, indicate so with a “g”.

Be certain to list only funds available during construction. This will include any construction loans made by lenders other than the HMFA. If you are applying for an HMFA Construction and Permanent Loan, or an HMFA Construction Bridge Loan, these loans should be listed in this section. If HMFA is supplying a permanent loan only, **do not put it as a funding source here. There will be another section (#5) for “Sources of Funds For Permanent Closing”.** If you are also applying for *Home Express* funds, *Balanced Housing*, or *Ready to Rent* funds (this assumes that these funds are available) they may be shown in this section if they are needed during construction. The additional cost of a fire suppression system (if not a Code requirement) may also be added to the Home Express funds up to a maximum of \$2.00 per square foot.

2. USES OF FUNDS DURING CONSTRUCTION

List all costs associated with the construction of the project.

A. ACQUISITION COSTS

a) and b) *Land/Buildings*: The actual cost of acquisition is determined by HMFA after appraisal. The HMFA recognizes the lesser of the appraised value or the purchase price of the property in the most recent arm's length transaction. This may include documented carrying costs, expenditures to obtain zoning, environmental or other governmental approvals necessary or required for the development of the project. For application purposes, place the actual costs you have committed to or paid, i.e. that which is in your *Option to Purchase, Contract, etc.*

c) and d) *Relocation and Other*: These costs are subject to State guidelines and may be approved by NJHMFA with supporting documentation. Identify what the “other” costs are in the yellow section.

B. CONSTRUCTION COSTS

Construction cost estimates are based on prevailing wages as published by the New Jersey Department of Labor, unless construction financing is being provided by a source other than HMFA and the sponsor indicates that New Jersey Prevailing wages are not required.

a) *Demolition*: Estimated costs to prepare the site for construction.

b) *Off-Site Improvements*: Estimated cost of any required off-site improvements such as access roads, sewer lines, etc.

c) *Residential Structure*: The actual cost of the structure.

d) *Community Service Facility*: In order for a structure other than the residential structure to be eligible for tax-exempt financing it must be "functionally related" to the residential structure. Therefore, the sponsor should check the Internal Revenue Code for eligible costs. Ineligible costs may be funded with the sponsor's equity contribution.

e) *Environmental Clearances*: Estimated cost of obtaining all applicable permits and clearances from local, state and Federal environmental authorities.

f) *Surety & Bonding*: Premium for obtaining 100% payment and performance bonds when using HMFA construction financing. The cost for the bond is dependent upon the total construction cost. The higher the construction cost, the lower the percentage. The range is usually between $\frac{3}{4}$ percent to 2% of the construction costs. A warranty or maintenance bond may be used when using HMFA permanent financing only. Alternatively, a letter of credit equal to 10% of the permanent mortgage amount may be used for HMFA permanent financing only.

g) *Building Permits*: Cost of obtaining all required building permits. The costs vary by municipality and you should always check with the specific municipality for a schedule of their fees before submitting an application.

h) *Garage Parking*: The costs of constructing a garage or parking area for Tenants use. **NOTE:** The cost of constructing a parking garage is about \$15,000 per parking space; parking lots cost about \$700 per space.

i) *General Requirements*: Also known, as General Conditions cost about 6% of the construction costs.

j) *Contractor Overhead and Profit*: Negotiated fee with General Contractor as approved by HMFA. **Note that the HMFA will look for the following benchmarks: Overhead should be 2% of the construction costs and Profit should be about 6% of the construction costs.**

k) *Fire Suppression System*: If your construction does not require a fire suppression system by code but because you are accepting financing through Balanced Housing, Home Express or other sources where the program does require this, the additional costs may be budgeted here. These will be offset by funds provided through the program once DCA has accepted and approved them.

l) *Green Features*: This line item is for additional costs of solar photovoltaic installation and the LEED Certification fees (not costs associated with the architect).

m) *Other*: Any other costs associated with construction. Identify “other”.

C. DEVELOPMENT FEE

The amount of the Developer’s fee allowed is limited to 15% of total development cost excluding land, working capital, marketing expenses, escrows, and operating deficit reserves, step-in-the-shoes costs and costs associated with syndication as determined by HMFA. This fee may be increased to 20% of the allowable costs when projects that are located on scattered sites, are single-family or duplex style or are designated for a special needs population. For projects seeking Low Income Housing Tax Credits, the allowable developer’s fee set forth above may be reduced in order for the developer to receive an award of tax credits pursuant to N.J.A.C. 5:80-33.

In addition, the non-deferred portion of the developer fee for all projects **shall not exceed 8%** of the aforementioned development cost. The deferred portion of the developer fee shall be achieved from cash flow by way of Return on Equity after payment of debt service, operating expenses and funding of all escrows and reserves.

A developer fee of up to 4.00 percent shall be permitted for building acquisition costs.

The developer’s fee does not include fees paid to the architect, engineer, lawyer, accountant, surveyor, appraiser, professional planner, historical consultant, and environmental consultant. Executed contracts for these professionals shall be submitted to the HMFA before being recognized as a separate line item expense. All other consultant fees shall be included in the developer fee. Developers may pledge their fee toward meeting the equity requirement. The amount allowable will be at the discretion of the HMFA. **The developer’s fee is earned on a pro-rata basis during the construction period based upon the percentage of construction completion. The unpledged portion of the developer’s fee is payable only when earned and is earned only after the entire pledged portion has been earned.**

D. CONTINGENCY

- a) Hard Costs: New construction requires 5% of construction costs. Rehabilitation requires a maximum of 10% of construction costs.
- b) Soft Costs: A maximum of 5% is acceptable.

E. PROFESSIONAL SERVICES

All contracts and fees for items (a) through (k) are negotiated between the sponsor and professional and are subject to HMFA approval with the exception of the **Appraisal/Market Study**. The HMFA will request bids and order this document. You may estimate the cost until the HMFA has the bid and you have issued the check. At that time the actual cost will be budgeted on this line. The HMFA uses the *R. F. Means Facilities Construction Cost Data* with respect to the review of the **Architect's fee**. The *R.S. Means Facilities Construction Cost Data* bases the architect's fee on a percentage of the construction costs as follows.

Construction Cost of \$ 1 million	= 8% fee
\$ 5 million	= 7% fee
\$10 million	= 6.6% fee
\$20 million	= 6.5% fee
\$30 million	= 6.4% fee
\$40 million	= 6.3% fee
\$50 million	= 6.2% fee

NOTE: These fees are at the high end of the range; the HMFA usually sees them lower.

These fees are budgeted for operational expenses during the time construction is being completed.

F. PRE-OPERATIONAL EXPENSES

These fees are budgeted for operational expenses during the time construction is being completed.

- a) Operator Fee: On average, the rent-up fee should not exceed \$250.00 per unit.
- b) Advertising and Promotion: Fees for advertising and promotion are negotiated and subject to HMFA approval.
- c) Staffing and Start-up Supplies: Costs you will entail prior to the opening of the building. This could include the salary for a marketing person, the cost of signs, Development of letterhead, etc.
- d) Other: Only with supporting documentation and are subject to HMFA approval.
- e) Other: Only with supporting documentation and are subject to HMFA approval.

G. CARRYING AND FINANCING COSTS

- a) Interest During Construction: The developer should go to the HMFA Web Site at http://www.state.nj.us/dca/hmfa/media/download/multi/mf_current_mortgage_rates.pdf to ascertain the current interest rate. The calculation of the estimated construction interest is automatically calculated on the form 10 using that interest rate, the number of month's to construction completion and ½ the maximum mortgage amount.

b) *Real Estate Taxes During Construction*: The developer should obtain the local tax assessment and multiply it by the length of the construction period to determine total amount of taxes during the construction period.

c) *Insurance*: During construction, the developer is required to obtain the necessary insurance coverage for the project in accordance with procedures established by the HMFA, including multi-hazard and public liability to protect the developer's and HMFA's respective interests. Sponsors should obtain premium estimates for these policies so that they may be included in the Project's Form 10 estimated annual budget. See the HMFA Underwriting Guidelines and Financing Policy for required insurance coverage.

d) *Title and Recording Expenses*: Title insurance and recording expenses, monthly continuation searches and surveys as required in connection with monthly advances on the building loan which are not chargeable to the general contractor under the terms of the construction contract.

e) *Utility Connection Fees*: Developer's should contact utility companies and determine the cost of connection.

f) *Other Lender Points*: Self-explanatory

g) *Other Lender Construction Financing Fee*: Self-explanatory

h) *Tax Credit Fees*: Self-explanatory

i) *Negative Arbitrage*: Self-explanatory

j) *Cost of Issuance*: Self-explanatory

NOTE: If HMFA will be selling Bonds for the Project either before or during the time the Development is under construction, these costs should be accounted for during the construction period.

k) *Furniture, Fixtures & Equipment (FF&E)*: Self-explanatory

3. **USES OF FUNDS DURING CONSTRUCTION:**

Totals of A through G: This is automatically calculated.

4. **BALANCE OF FUNDS NEEDED FOR CONSTRUCTION (overage/shortage):**

The difference between the amount of funds you have to construct the project and the cost to build the project. If an amount appears in this block, you will need to adjust your sources of funds during construction for this line item to balance out. This too, is automatically calculated. You may need to pledge additional developer's fee, sponsor's equity, etc. if this number is showing a shortage.

5. **SOURCES OF FUNDS FOR PERMANENT CLOSING:**

List all funding sources to be used in order to switch to the permanent loan. That is, if the HMFA is the construction and permanent loan provider, you will only need to place the sources of funds in this area that you will need to fund the escrows. If there is a shortage of funds for closing, show how that gap will be filled in the "Sources section" in order to balance out to zero. If the HMFA is providing the Permanent Loan Only, the HMFA mortgage loan(s) should be placed in this section along with any other funds available for the closing of the permanent loan. Keep in mind, if financing with tax-exempt 142 (d) bonds, the need to meet the 95/5 test. (ninety five percent of the mortgage loan must go to "good costs").

6. USES OF FUNDS FOR PERMANENT CLOSING:

A. DEVELOPER'S FEE: List only the portion of funds not pledged or deferred during the construction phase.

B. HMFA Points (to reduce annual servicing fee) To reduce annual Servicing fee, see *Typical HMFA Fees and Costs* in the *Multifamily Underwriting Guidelines and Financing Policy*.

C. HMFA Second Note Financing Fee The HMFA does not charge a loan origination fee except in cases where there is non-amortizing debt. An origination fee of two points (2%) of the mortgage loan amount must be budgeted for all non-amortizing debt. NOTE: For tax credit purposes, HMFA financing fees are not counted in basis if paid at time of the permanent closing.

D. CONSTRUCTION LOAN PAYOFF:

If you have a construction loan other than from the HMFA or if the HMFA is providing a construction bridge loan, place the amount of your construction loan in this section. If the HMFA is providing both the construction and permanent loan, leave this section blank.

E. Construction Loan Interest Due (per diem): This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

F. Negative Arbitrage Self-explanatory – Again, for tax credit purposes, this is not in eligible basis unless it was paid during construction. If that is the case, it is shown in Section G of Schedule 10-B (Carrying and Financing Costs During Construction). Negative arbitrage represents the difference between the rate the HMFA pays on the bond and the rate realized by the HMFA on the investment of the bond proceeds.

G. Cost of Issuance Self-explanatory – Again, for tax credit purposes, this is not in eligible basis unless it is paid during construction and in that case it would be shown in Section G of Schedule 10-B (Carrying and Financing Costs During Construction).

H. Reimbursement of any Indemnification Fee not dedicated to other costs: This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

I. Tax Credit Fees: Self-explanatory

J. R.E. Taxes Due and Payable at Closing: This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.

K. Title Insurance: This line (if applicable) would only be used by the credit officer when

preparing for a closing on your loan as accounts for the final Title Insurance Bill which is presented the closing.

- L. HMFA Loan per diem interest on NOTE I (if applicable):** This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.
- M. Outstanding Payments to Professionals & Sub-contractors:** This line (if applicable) would only be used by the credit officer when preparing for a closing on your loan.
- N. Payment and Performance Bond, 30% Warranty Bond, or 10% Letter of Credit:** the HMFA requires this to be in place for two years after construction completion; one of these options must be in effect prior to closing on the permanent loan and the cost should be budgeted here.

N. Other Fees: be sure to identify what these fee are.

O. ESCROW REQUIREMENTS: 1

- 1) *Working Capital Escrow:*
 - a) *Debt Service & Operating Expenses:* Based on 75% of the annual anticipated operating expenses, and debt service over the term of the anticipated rent up.
 - b) *Rental Agency Rent-up (during rent-up):* Self-explanatory
 - c) *Advertising and Promotion (during rent-up):* Self-explanatory
- 2) *Other Escrows:* Self-explanatory
 - a) *Insurance:* The cost of Liability and Hazard on the facility; normally ½ year is budgeted but may be more depending on when the Policy was purchased. See the HMFA Underwriting Guidelines and Financing Policy for required insurance coverage. Initially this will be automatically calculated using the ½ year as an estimate.
 - b) *Taxes:* Self-explanatory – This too, is automatically calculated at ¼ of the years estimated taxes.
 - c) *Debt Service Payment & Servicing Fee for one month:* Self-explanatory
 - d) *Mortgage Insurance Premium:* There may be instances where credit enhancement is required. If HUD Insurance is used as the enhancement, there will be a yearly fee paid to HUD in advance plus an additional 3 months of payment will be held in escrow at closing.
 - e) *Repair and Replacement Reserves:* On occasion, under certain circumstances there may be a need to withhold funds for work to be done after closing.
 - f) *Operating Deficit Reserve:* A project's cash flow analysis must achieve and maintain a projected minimum debt service ratio for 15 years of the loan to be eligible for financing. The establishment of an Operating Deficit Escrow Account (OEDA) account may be required if a project negatively trends below a 1.15 debt service coverage ratio for the term of the mortgage.

1 NOTE: If you are applying for a Construction and Permanent mortgage loan, these escrows will be withheld at the time of closing on the construction loan.

- g) *Other:* Self-explanatory
- h) *Other:* Self-explanatory

7. **USES OF FUNDS FOR PERMANENT CLOSING** List all costs associated with the permanent closing of the Project.
8. **BALANCE NEEDED TO CLOSE (overage/shortage):** If there is a shortage of funds to close, show how that gap will be filled in the *Sources of Funds for Permanent Closing* section above.
9. **TOTAL PROJECT COSTS** Self-explanatory; this cell automatically calculates.
10. **MAXIMUM MORTGAGE LOAN** - Percentage of total project cost and dollar amount.
11. **55% of BASIS TEST:**

The HMFA may finance projects utilizing tax-exempt bonds with the intention of being eligible for credits on 100% of the project's eligible basis by satisfying the requirements established by the Internal Revenue Service 50% (the Agency uses 55% as a safe harbor) of aggregate basis test. Meeting the 55% test is often achieved through the provision of two first mortgage notes. The first note is sized based upon the amount of debt that can be amortized in accordance with the HMFA's underwriting standards. The second note is sized based upon the difference between the first note and that amount of funding needed to achieve 55% coverage of the aggregate costs. This section will automatically calculate the 55% coverage as well as determine the dollar amount necessary to be financed through the First Mortgage, Second Note. The Sponsor must demonstrate a source of funds to pay off the second note, which must be collateralized in a form satisfactory to the HMFA. The final determination that a project meets the 55% test and the term of the debt to be retired is subject to HMFA bond counsel opinion.

12. **REPAYMENT OF SECOND NOTE:**

The second note repayment is shown in this section.

Be sure to show the sources you have to retire the second note as well as the principal amount of the second note with cumulative interest to be repaid.

In order to help a sponsor meet the equity requirement, he/she may, subject to prior approval of the Agency, pledge in whole or in part various mortgageable items in which it has an interest.

EXPLANATORY NOTES FOR SPECIAL NEEDS MORTGAGE CALCULATION:

INSTRUCTIONS WITH REGARD TO THE CALCULATION OF SPECIAL NEEDS LOANS

When using the form 10 for a Special Needs (SN) loan...you do not know what the actual SN loan will be until you find the “gap” in the financing. Therefore you must complete the Schedule 10-B fully without placing any HMFA SN amount on it. Below are directions for how you determine the loan amount. There are two sets of directions; one for loans where you are looking for “Construction and Permanent” financing and the other directs you how to determine the SN mortgage amount when you are only looking for funding for a “Permanent” mortgage.

1. For loans where the SN monies will be used during Construction:

You will notice that the first space under the *Sources of Funds During Construction* section # **1. Sources of Funds During Construction** is a white space and refers to “HMFA (SN)”; **do not type in this cell.** Place all other Sources of Funds for the project and the dollar amounts in the remaining shades areas. Complete in full the *Uses of Funds During Construction* section of Schedule 10-B. When you have done this, you will see that there is a shortage of funds in section **4. Balance of Funds Needed during Construction** and shows up in red numbering. The gap will be the amount needed under “Sources During Construction”.

Example:

4. Balance of Funds Needed for Construction (overage/shortage): \$[(691,254)]

Next: Place that amount in the cell above under *Sources of Funds During Construction* and in section entitled *G. Carrying and Financing Costs During Construction, e) One time Servicing Fee [SP Needs Special Needs Only]* where indicated (see below)

e) One Time Servicing Fee (SN Special Needs Only) 3% on \$ 691,254 \$ 20,738

The One-time Servicing Fee will be calculated and added to the carrying and financing costs. This will cause another shortage in the Balance of Funds Needed for Construction and you will need to add that to the Special Needs mortgage amount in the Sources section as well as the One-time Servicing Fee section. Once you do that, there will still be another shortage but a much smaller one...if the shortage is less than \$50 just add that amount to the sources number and leave the servicing fee the way it is. If it is more than \$50, repeat this method until the shortage has been lowered to less than \$50.

EXPLANATORY NOTES FOR SPECIAL NEEDS MORTGAGE CALCULATION (con't):

2. For loans where the SN monies will be used For Permanent Mortgage Only:

Now you will notice that the form 10 used for Permanent Only mortgages is showing the Escrows in the bottom section of the pro forma (**5. Sources of Funds for Permanent Financing**). The One-time Servicing fee is now at the bottom of the form 10. This is of course because you would not be paying a servicing fee on funds you had not yet borrowed.

The same principle applies to determining the Special Needs loan amount as above.

Example:

First look at line 8. Balance Needed for Permanent Closing.

8. Balance Needed for Permanent Closing (overage/shortage): \$[(691,254)]

Next: Place that amount in the cell above under *Sources of Funds Needed for Permanent Funding* and in section entitled **6. B. One time Servicing Fee [Special Needs Only]** where indicated (see below)

B. One Time Servicing Fee (Special Needs Only)	<u>3%</u>	on	\$ 691,254	\$ 20,738
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The One-time Servicing Fee will be calculated and added to the carrying and financing costs. This will cause another shortage in the Balance of Funds Needed for Permanent Closing and you will need to add that to the Special Needs mortgage amount in the Sources section as well as the One-time Servicing Fee section. Once you do that, there may still be another shortage but a much smaller one...if the shortage is less than \$50 just add that amount to the sources number and leave the servicing fee the way it is. If it is more than \$50, repeat this method until the shortage has been lowered to less than \$50.

NOTE: In both the above cases, the final mortgage amount will automatically be sent to Schedule 10-A. You will not have to go back and insert it.

2015 NEW JERSEY Multifamily Tax Subsidy Projects (MTSP) INCOME LIMITS
FOR PROJECTS PLACED IN SERVICE AFTER 12/31/08

COUNTIES	INCOME LIMIT %	1 PERSON	1.5 PERSON	2 PERSON	3 PERSON	4 PERSON	4.5 PERSON	5 PERSON	6 PERSON	7 PERSON	7.5 PERSON	8 PERSON
ATLANTIC	50%	\$24,000	\$25,700	\$27,400	\$30,850	\$34,250	\$35,625	\$37,000	\$39,750	\$42,500	\$43,875	\$45,250
	60%	\$28,800	\$30,840	\$32,880	\$37,020	\$41,100	\$42,750	\$44,400	\$47,700	\$51,000	\$52,650	\$54,300
	100%	\$48,000	\$51,400	\$54,800	\$61,700	\$68,500	\$71,250	\$74,000	\$79,500	\$85,000	\$87,750	\$90,500
BERGEN PASSAIC	50%	\$32,450	\$34,775	\$37,100	\$41,750	\$46,350	\$48,225	\$50,100	\$53,800	\$57,500	\$59,350	\$61,200
	60%	\$38,940	\$41,730	\$44,520	\$50,100	\$55,820	\$57,870	\$60,120	\$64,560	\$69,000	\$71,220	\$73,440
	100%	\$64,900	\$69,550	\$74,200	\$83,500	\$92,700	\$96,450	\$100,200	\$107,600	\$115,000	\$118,700	\$122,400
HUDSON	50%	\$26,850	\$28,750	\$30,650	\$34,500	\$38,300	\$39,850	\$41,400	\$44,450	\$47,500	\$49,050	\$50,600
	60%	\$32,220	\$34,500	\$36,780	\$41,400	\$45,960	\$47,820	\$49,680	\$53,340	\$57,000	\$58,860	\$60,720
	100%	\$53,700	\$57,500	\$61,300	\$69,000	\$76,600	\$79,700	\$82,800	\$88,900	\$95,000	\$98,100	\$101,200
MIDDLESEX SOMERSET HUNTERDON	50%	\$36,400	\$39,000	\$41,600	\$46,800	\$51,950	\$54,050	\$56,150	\$60,300	\$64,450	\$66,525	\$68,600
	60%	\$43,680	\$46,800	\$49,920	\$56,160	\$62,340	\$64,860	\$67,380	\$72,360	\$77,340	\$79,830	\$82,320
	100%	\$72,800	\$79,000	\$83,200	\$93,600	\$103,900	\$108,100	\$112,300	\$120,600	\$128,900	\$133,050	\$137,200
MONMOUTH OCEAN	50%	\$32,100	\$34,400	\$36,700	\$41,300	\$45,850	\$47,700	\$49,550	\$53,200	\$56,900	\$58,725	\$60,550
	60%	\$38,520	\$41,280	\$44,040	\$49,560	\$55,020	\$57,240	\$59,460	\$63,840	\$68,280	\$70,470	\$72,660
	100%	\$64,200	\$68,800	\$73,400	\$82,600	\$91,700	\$95,400	\$99,100	\$106,400	\$113,800	\$117,450	\$121,100
ESSEX MORRIS SUSSEX UNION	50%	\$32,050	\$34,325	\$36,600	\$41,200	\$45,750	\$47,600	\$49,450	\$53,100	\$56,750	\$58,575	\$60,400
	60%	\$38,460	\$41,190	\$43,920	\$49,440	\$54,900	\$57,120	\$59,340	\$63,720	\$68,100	\$70,290	\$72,480
	100%	\$64,100	\$68,650	\$73,200	\$82,400	\$91,500	\$95,200	\$98,900	\$106,200	\$113,500	\$117,150	\$120,800
BURLINGTON CAMDEN GLOUCESTER SALEM	50%	\$28,400	\$30,425	\$32,450	\$36,500	\$40,550	\$42,175	\$43,800	\$47,050	\$50,300	\$51,925	\$53,550
	60%	\$34,080	\$36,510	\$38,940	\$43,800	\$48,660	\$50,610	\$52,560	\$56,460	\$60,360	\$62,310	\$64,260
	100%	\$56,800	\$60,850	\$64,900	\$73,000	\$81,100	\$84,350	\$87,600	\$94,100	\$100,600	\$103,850	\$107,100
CAPE MAY	50%	\$26,350	\$28,225	\$30,100	\$33,850	\$37,600	\$39,125	\$40,650	\$43,650	\$46,650	\$48,150	\$49,650
	60%	\$31,620	\$33,870	\$36,120	\$40,620	\$45,120	\$46,950	\$48,780	\$52,380	\$55,980	\$57,780	\$59,580
	100%	\$52,700	\$56,450	\$60,200	\$67,700	\$75,200	\$78,250	\$81,300	\$87,300	\$93,300	\$96,300	\$99,300
WARREN	50%	\$30,600	\$32,800	\$35,000	\$39,350	\$43,700	\$45,450	\$47,200	\$50,700	\$54,200	\$55,950	\$57,700
	60%	\$36,720	\$39,360	\$42,000	\$47,220	\$52,440	\$54,540	\$56,640	\$60,840	\$65,040	\$67,140	\$69,240
	100%	\$61,200	\$65,600	\$70,000	\$78,700	\$87,400	\$90,900	\$94,400	\$101,400	\$108,400	\$111,900	\$115,400
MERCER	50%	\$33,950	\$36,375	\$38,800	\$43,650	\$48,500	\$50,450	\$52,400	\$56,300	\$60,150	\$62,100	\$64,050
	60%	\$40,740	\$43,650	\$46,560	\$52,380	\$58,200	\$60,540	\$62,880	\$67,560	\$72,180	\$74,520	\$76,860
	100%	\$67,900	\$72,750	\$77,600	\$87,300	\$97,000	\$100,900	\$104,800	\$112,600	\$120,300	\$124,200	\$128,100
CUMBERLAND	50%	\$22,750	\$24,375	\$26,000	\$29,250	\$32,500	\$33,800	\$35,100	\$37,700	\$40,300	\$41,600	\$42,900
	60%	\$27,300	\$29,250	\$31,200	\$35,100	\$39,000	\$40,560	\$42,120	\$45,240	\$48,360	\$49,920	\$51,480
	100%	\$45,500	\$48,750	\$52,000	\$58,500	\$65,000	\$67,600	\$70,200	\$75,400	\$80,600	\$83,200	\$85,800

Source: U.S. Department of Housing and Urban Development

Effective: 3/6/2015

The information contained in this chart was compiled from information derived from the United States Department of Housing and Urban Development and is intended solely as a copy preparation of their application for low income housing tax credits. NJHMFA is not responsible for any errors contained in this chart, typographical or otherwise. Applicants are independent entities which do not exceed the rent restrictions prescribed under federal law for low income housing tax credits, notwithstanding the information contained in this chart.

Allowance for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality		Unit Type		Effective			
New Jersey Department of Community Affairs NJ Averages		Single Family Detached		07/01/2014 Expires 06/30/2015			
Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	a. Natural Gas	39	53	63	79	90	104
	b. Electric	53	72	86	108	123	143
	c. Bottle Gas	127	172	206	260	294	342
	d. Oil	122	165	198	249	282	328
Cooking	a. Natural Gas	6	7	10	12	15	16
	b. Electric	10	13	17	21	26	28
	c. Bottle Gas	19	24	32	40	50	54
Other Electricity		34	43	58	71	88	95
Air Conditioning		18	23	31	39	46	52
Water Heating	a. Natural Gas	7	9	12	15	19	21
	b. Electric	14	18	24	30	37	40
	c. Bottle Gas	24	30	41	50	63	67
	d. Oil	20	26	35	43	54	58
Water		28	36	43	52	58	65
Sewer		52	52	52	52	52	52
Trash Collection							
Range/Microwave		4	4	5	5	6	6
Refrigerator		4	4	4	5	5	6
Other -- specify							

Actual Family Allowances To be used by the family to compute allowance. Complete below for actual unit rented.		Utility or Service	per month cost
Name of Family Address of Unit Number of Bedrooms		Heating	\$
		Cooking	
		Other Electric	
		Air Conditioning	
		Water Heating	
		Water	
		Sewer	
		Trash Collection	
		Range/Microwave	
		Refrigerator	
		Other	
		Total	\$

Allowance for Tenant-Furnished Utilities and Other Services

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality		New Jersey Department of Community Affairs NJ Averages			Unit Type Semi-Detached		Effective Expires	07/01/2014 06/30/2015
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	34	44	58	72	86	97	
	b. Electric	46	59	80	99	118	132	
	c. Bottle Gas	111	143	191	237	282	316	
	d. Oil	107	137	183	227	271	304	
Cooking	a. Natural Gas	6	7	10	12	15	16	
	b. Electric	10	13	17	21	26	28	
	c. Bottle Gas	19	24	32	40	50	54	
Other Electricity		34	43	58	71	88	95	
Air Conditioning		11	14	18	22	27	30	
Water Heating	a. Natural Gas	7	9	12	15	19	21	
	b. Electric	14	18	24	30	37	40	
	c. Bottle Gas	24	30	41	50	63	67	
	d. Oil	20	26	35	43	54	58	
Water		28	36	43	52	58	65	
Sewer		52	52	52	52	52	52	
Trash Collection								
Range/Microwave		4	4	5	5	6	6	
Refrigerator		4	4	4	5	5	6	
Other – specify								

Actual Family Allowances To be used by the family to compute allowance.
Complete below for actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

Allowance for Tenant-Furnished Utilities and Other Services

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality		New Jersey Department of Community Affairs NJ Averages			Unit Type	Duplex & Two/Three Family (Semi Detached)*	Effective Expires	07/01/2014 06/30/2015
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	36	46	61	75	88	101	
	b. Electric	49	63	83	103	121	137	
	c. Bottle Gas	116	150	199	247	289	329	
	d. Oil	112	144	191	237	278	316	
Cooking	a. Natural Gas	6	7	10	12	15	16	
	b. Electric	10	13	17	21	26	28	
	c. Bottle Gas	19	24	32	40	50	54	
Other Electricity		34	43	58	71	88	95	
Air Conditioning		11	14	18	22	27	30	
Water Heating	a. Natural Gas	7	9	12	15	19	21	
	b. Electric	14	18	24	30	37	40	
	c. Bottle Gas	24	30	41	50	63	67	
	d. Oil	20	26	35	43	54	58	
Water		28	36	43	52	58	65	
Sewer		52	52	52	52	52	52	
Trash Collection								
Range/Microwave		4	4	5	5	6	6	
Refrigerator		4	4	4	5	5	6	
Other — specify								

Actual Family Allowances To be used by the family to compute allowance.
Complete below for actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

Allowance for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality		New Jersey Department of Community Affairs NJ Averages				Unit Type	Row House / Garden Apartment (Rowhouse/Townhouse)*	Effective	07/01/2014
Utility or Service		Monthly Dollar Allowances						Expires	06/30/2015
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR		
Heating	a. Natural Gas	29	39	53	66	80	93		
	b. Electric	40	54	73	91	110	127		
	c. Bottle Gas	96	129	174	217	263	306		
	d. Oil	92	123	167	208	252	293		
Cooking	a. Natural Gas	6	7	10	12	15	16		
	b. Electric	10	13	17	21	26	28		
	c. Bottle Gas	19	24	32	40	50	54		
Other Electricity		34	43	58	71	88	95		
Air Conditioning		11	14	18	22	27	30		
Water Heating	a. Natural Gas	7	9	12	15	19	21		
	b. Electric	14	18	24	30	37	40		
	c. Bottle Gas	24	30	41	50	63	67		
	d. Oil	20	26	35	43	54	58		
Water		28	36	43	52	58	65		
Sewer		52	52	52	52	52	52		
Trash Collection									
Range/Microwave		4	4	5	5	6	6		
Refrigerator		4	4	4	5	5	6		
Other -- specify									

Actual Family Allowances To be used by the family to compute allowance.
Complete below for actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

Allowance for Tenant-Furnished Utilities and Other Services

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality		New Jersey Department of Community Affairs NJ Averages				Unit Type Low Rise		Effective 07/01/2014
								Expires 06/30/2015
Utility or Service		Monthly Dollar Allowances						
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	
Heating	a. Natural Gas	32	42	56	69	83	95	
	b. Electric	43	57	76	94	113	130	
	c. Bottle Gas	104	137	182	225	271	311	
	d. Oil	100	131	175	216	260	299	
Cooking	a. Natural Gas	6	7	10	12	15	16	
	b. Electric	10	13	17	21	26	28	
	c. Bottle Gas	19	24	32	40	50	54	
Other Electricity		34	43	58	71	88	95	
Air Conditioning		10	12	17	20	24	27	
Water Heating	a. Natural Gas	7	9	12	15	19	21	
	b. Electric	14	18	24	30	37	40	
	c. Bottle Gas	24	30	41	50	63	67	
	d. Oil	20	26	35	43	54	58	
Water		28	36	43	52	58	65	
Sewer		52	52	52	52	52	52	
Trash Collection								
Range/Microwave		4	4	5	5	6	6	
Refrigerator		4	4	4	5	5	6	
Other -- specify								
Actual Family Allowances To be used by the family to compute allowance. Complete below for actual unit rented.						Utility or Service Heating \$ Cooking Other Electric Air Conditioning Water Heating Water Sewer Trash Collection Range/Microwave Refrigerator Other Total \$		
Name of Family								
Address of Unit								
Number of Bedrooms								

Allowance for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locality	New Jersey Department of Community Affairs NJ Averages	Unit Type	High Rise (High Rise with Elevator)*	Effective	07/01/2014
				Expires	06/30/2015

Utility or Service		Monthly Dollar Allowances					
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	a. Natural Gas	30	35	41	50	56	70
	b. Electric	37	45	55	68	84	98
	c. Bottle Gas						
	d. Oil						
Cooking	a. Natural Gas	6	7	10	12	15	16
	b. Electric	10	13	17	21	26	28
	c. Bottle Gas						
Other Electricity		34	43	58	71	88	95
Air Conditioning		10	12	17	20	24	27
Water Heating	a. Natural Gas	7	9	12	15	19	21
	b. Electric	14	18	24	30	37	40
	c. Bottle Gas						
	d. Oil						
Water		28	36	43	52	58	65
Sewer		52	52	52	52	52	52
Trash Collection							
Range/Microwave		4	4	5	5	6	6
Refrigerator		4	4	4	5	5	6
Other -- specify							

Actual Family Allowances To be used by the family to compute allowance.

Complete below for actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

Allowance for Tenant-Furnished Utilities and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 4/30/2014)

Locally		New Jersey Department of Community Affairs NJ Averages			Unit Type Mobile Home (Manufactured Home)*		Effective Expires
Utility or Service		Monthly Dollar Allowances					
5287		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	a. Natural Gas	30	36	46	59	74	
	b. Electric	40	49	63	81	101	
	c. Bottle Gas	97	117	151	194	242	
	d. Oil	93	112	145	186	233	
Cooking	a. Natural Gas	6	7	10	12	15	
	b. Electric	10	13	17	21	26	
	c. Bottle Gas	19	24	32	40	50	
Other Electricity		34	43	58	71	88	
Air Conditioning		15	20	26	33	39	
Water Heating	a. Natural Gas	7	9	12	15	19	
	b. Electric	14	18	24	30	37	
	c. Bottle Gas	24	30	41	50	63	
	d. Oil	20	26	35	43	54	
Water		28	36	43	52	58	
Sewer		52	52	52	52	52	
Trash Collection							
Range/Microwave		4	4	5	5	6	
Refrigerator		4	4	4	5	5	
Other -- specify							

Actual Family Allowances To be used by the family to compute allowance.
Complete below for actual unit rented.

Name of Family

Address of Unit

Number of Bedrooms

Utility or Service	per month cost
Heating	\$
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Range/Microwave	
Refrigerator	
Other	
Total	\$

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

**INSURANCE SPECIFICATIONS
&
MINIMUM REQUIREMENTS**

**FOR MULTIFAMILY
RESIDENTIAL
PROPERTIES**

Date of Issue – April 12, 2016

**NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
INSURANCE SPECIFICATIONS
MINIMUM REQUIREMENTS**

GENERAL INFORMATION

Additional Insured

All policies providing Property/Crime/Liability and Equipment coverage must indicate the New Jersey Housing and Mortgage Finance Agency (hereinafter "NJHMFA") as Additional Insured and Mortgagee. Property policies must also indicate NJHMFA as Lender's Loss Payable.

Mortgage Clause (Standard Form)

All Property Insurance Policies must indicate the Mortgagee as:

New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue
PO Box 18550
Trenton, New Jersey 08650-2085

Note – In instances where the mortgage financing provided by NJHMFA has been paid in full, NJHMFA need only be indicated as Additional Insured on all Property/Crime/Liability and Equipment coverages when the respective property continues in the portfolio of the NJHMFA pursuant to the terms of an executed Regulatory Agreement or Deed Restriction.

Insurance Company

Issuing Insurer must be currently eligible to write business in the State of New Jersey and have a current A.M.Best Rating of A- and with a Financial Size Category of VIII or a Demotech, Inc. Financial rating of A (Exceptional).

Note – Any issuing Insurer with Ratings under Review by A.M. Best with Negative Implications and/or Long Term Negative Implications may be subject to further requirements and review by the NJHMFA.

Coverage Requirements

All insurance coverages required pursuant to these Insurance Specifications Minimum Requirements must be provided on a Per Occurrence/Per Location basis with coverage limits as noted herein.

Insurance Professional/Agent

- Insurance Professional/Agent must provide a written statement on letterhead to the NJHMFA that the insurance coverages being provided meets or exceeds the NJHMFA minimum insurance requirements. This written statement is not to be construed as a Certificate of Insurance as defined under the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.).
- Insurance Professional/Agent must provide a Certificate of Insurance (ACORD 25 – Certificate of Liability Insurance) showing the Insurance Professional/Agent's Errors and Omissions Coverages (E & O). All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.). ACORD 25 to indicate NJHMFA as the Certificate Holder as follows:

New Jersey Housing and Mortgage Finance Agency
ATTN: Insurance Division
PO Box 18550
Trenton, NJ 08650-2085

- NJHMFA requires that the Insurance Professional/Agent have unimpaired E & O coverage limits of at least \$5,000,000 on the underlying policy and a deductible not exceeding \$50,000. If the Producer (Insurance Professional/Agent) and the Insured (Insurance Professional/Agent) are the same or related party as disclosed on the respective Certificate of Insurance, further evidence of E & O Coverage is to be provided through submission of a copy of the respective Policy Declaration Pages.
- *Note – In instances where an Insurance Professional/Agent has an E & O Deductible in excess of \$50,000, NJHMFA may, upon request, consider acceptance of same subject to the review by NJHMFA of the most recent Certified Financial Statements of the respective Insurance Professional/Agent to determine the financial wherewithal of the Insurance Professional/Agent to fund a Deductible in excess of \$50,000.*

Cancellation/Non-Renewal

Notice is to be provided to the NJHMFA via Certified Mail as follows:

New Jersey Housing and Mortgage Finance Agency
ATTN: Insurance Division
PO Box 18550
Trenton, NJ 08650-2085

Evidence of Insurance

- ACORD 28 forms "Evidence of Commercial Property Insurance" may be utilized to provide evidence of property coverages. All applicable information on the ACORD 28 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.).

- ACORD 25 forms "Certificate of Liability Insurance" may be utilized to provide evidence of General Liability, Automobile Liability, Excess/Umbrella Liability, Crime, Workers' Compensation and Employers' Liability coverages as are applicable. All applicable information on the ACORD 25 must be completed and information noted must reflect actual terms and conditions as contained in the underlying policies and be in conformity with the New Jersey Certificates of Insurance Act (NJSA 17:29A-54 et seq.).
- ACORD 28 "Evidence of Commercial Property Insurance" and/or ACORD 25 "Certificate of Liability Insurance" are to indicate NJHMFA as the Certificate Holder as follows:

New Jersey Housing and Mortgage Finance Agency
ATTN: Insurance Division
PO Box 18550
Trenton, NJ 08650-2085

Samples of the ACORD 28 and ACORD 25 can be found at the end of this Booklet. *A word of caution – please be sure to use the most current edition of same.*

A note about required NAIC numbers for use on the ACORD 28 and ACORD 25 forms – The National Association of Insurance Commissioners assigns an "NAIC" number to each domestic insurer domiciled in the United States. This NAIC Number is to be indicated on the appropriate ACORD form(s) for each insurer providing coverages. If a foreign carrier is providing the insurance coverages, the specific name of the carrier must be provided as well as the specific AM Best Number assigned to same. In the instances where a foreign carrier operates through and provides coverages utilizing a syndicate system, the specific name of each of the syndicates must be provided as well as the specific syndicate number and AM Best Number assigned to same. In all instances, any and all foreign carriers must meet all NJHMFA Insurance Requirements.

Complete copies of all Insurance Policies with all required Endorsements must be submitted for the review of the NJHMFA.

Note - In the event that complete copies of Insurance Policies are not available, NJHMFA may, upon request, permit the submission of sample policies with policy Declaration Pages/Binders detailing full coverages to be followed by submission to the NJHMFA of complete copies of all Insurance Policies with all required Endorsements immediately upon receipt from insurer(s).

State Guaranty Funds

NJHMFA highly recommends that insurers providing insurance coverage be members of the respective State Guaranty Fund. A State Guaranty Fund is a fund administered by a US State to protect policy holders in the event that an insurance company defaults on benefit payments or becomes insolvent. The Fund only protects beneficiaries of insurance companies that are licensed to sell insurance products in that State.

Risk Purchasing Groups

If insurance coverages are provided through a purchasing group, a copy of the Registration Letter issued by the New Jersey Department of Banking and Insurance must be submitted, as well as a Designated Location(s) General Aggregate Limit Endorsement for each respective policy specifically noting the insured property.

Property Insurance

MINIMUM INSURANCE REQUIREMENTS:

Property

Real/Personal/Rental Values including but not limited to:

Walls, outdoor light poles, smokestacks, swimming pools, playground equipment, water towers, exterior poles, car ports, signs, fuel oil, tennis courts, basketball courts, radio and television antennas (including their lead-in wiring, masts or towers), and satellite dishes.

Limits

Real and Personal Property: Blanket Replacement Cost – Agreed Value.

Rental Value: An amount equal to 100% of anticipated rental income for one (1) year full occupancy – with no Coinsurance Penalty.

Coverage

Comprehensive “All Risk” or “Special” + Flood & Earthquake Building Ordinance. Joint Loss Agreement. It is recommended that coverage be on an Insurance Services Office (ISO) Building and Personal Property Coverage form with Cause of Loss, Special Coverage to establish a standard of coverage.

Flood Insurance

National Flood Insurance (NFIP) is required for all Properties located in flood zones A, V and shaded X with the maximum available policy limits of coverage available under the NFIP Program for each building. The Property Policy must provide flood limits immediately in excess of NFIP policy limits up to the insurable value at each Location up to a maximum \$10,000,000 if available.

Joint Loss Agreement

A Joint Loss Agreement is necessary if Property and Boiler and Machinery insurers are different.

Ordinance & Law Endorsement

Ordinance & Law Endorsements are required. The Property insurance is to include loss as a result of enforcement of any Building Law or Ordinance that affects the reconstruction of the building(s), cost to demolish the undamaged section(s), cost to rebuild including improvements resulting from a change in Building Codes and the additional loss of business income as a result of the above.

Deductible

Deductible amount is not to exceed \$10,000 combined per loss. Rent deductible should not exceed 72 hours.

Commercial Liability – Per Occurrence Coverage:

General Liability

\$2,000,000		General Aggregate Limit – other than Products/Complete Operations
\$1,000,000		Products/Completed Operations Aggregate
\$1,000,000		Personal & Advertising Injury Limit
\$1,000,000	-	Each Occurrence
\$ 10,000	-	Medical Expense Limit – Any One Person/Accident/ Aggregate

Coverages - To Include:

\$1,000,000	Automobile Non-Ownership & Hired Car Liability if no separate auto policy is in place.
\$1,000,000	Employee Benefits Liability (Each Claim Made with \$1,000 Maximum deductible)
\$1,000,000	Employee Benefits Liability, Annual Aggregate
	Directors & Officers Liability (Where Applicable)

General Liability Coverage Requirements Continued –

Volunteers as Insureds

Medical Payments \$10,000

Knowledge & Notice of Occurrences

Unintentional Errors & Omissions

Exception to the Pollution Exclusion for hostile fires and building heating equipment

Fidelity

Limits (Maximum deductible \$5,000)

\$ 500,000 - Employee Dishonesty per loss

\$ 3,000 - Money and Securities – Inside Premises

\$ 3,000 - Money and Securities – Outside Premises

\$ 100,000 - Forgery or Alteration

Including part time & temporary employees, Directors and/or Trustees, whether compensated or not, unemployed spouses, and Managing Agents

Umbrella Liability

Excess of Primary:

\$10,000,000 For Projects financed on or after February 2005 or

\$20,000,000 For Projects financed prior to February 2005

\$1,000,000/\$2,000,000

Schedule of Underlying Coverage to list

- General Liability
- Hired and Non-Owned Automobile Liability
- Employers Liability

Boiler and Machinery

Limits

Full Replacement Cost – Direct Damage
Actual Loss Sustained – Combined Business Interruption/Extra Expense – 100%
of anticipated Rental Income for one year full occupancy

Coverage

Comprehensive – Boilers/Fired & Unfired Pressure Vessels/Air Conditioning/
Electrical Apparatus

Valuation

Repair or Replace (New for Old)

Boiler and Machinery Requirements Continued –

Minimum Sublimits:

\$100,000	Ammonia Contamination
\$100,000	Water Damage
\$100,000	Hazardous Substances
\$100,000	Expediting Expenses

Deductibles

Maximum of:

\$10,000	-	Direct Damage
72 Hours	-	Indirect Loss

Workers' Compensation

Coverage requirements shall be pursuant to NJSA 34:15-12(a) and
NJAC 12:235-1.6.

Coverage A	Statutory Limit
Coverage B	\$500,000 per employee disease Limit
	\$500,000 policy Limit for disease

Optional Coverages

Tenant Discrimination
Mold
Terrorism

**Sample ACORD 25
“Certificate of Liability Insurance”**

and

**Sample ACORD 28
“Evidence of Commercial Property Insurance”**

Follow

*A word of caution –
Please be sure to use the most current edition of same.*

These Insurance Specifications and Minimum Requirements may be amended from time to time and such amendments may occur without notice and are applicable to all pending and future insurance documentation submissions. Accordingly, it is suggested that contact be made with the Insurance Division of the New Jersey Housing and Mortgage Finance Agency to ascertain whether or not there have been any changes since the date of these Insurance Specifications and Minimum Requirements and for complying with same.

CERTIFICATE OF LIABILITY INSURANCE

DATE: _____

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURERS, AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: Free certificate holder is an **ADDITIONAL INSURED**. The policy(ies) must be **primary**. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not transfer rights to the certificate holder in the event of such endorsement.

UNCLASSIFIED	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
UNCLASSIFIED	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT
	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT	EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT EXEMPT

COVERAGES		CERTIFICATE NUMBER		POLICY NUMBER		REVISION NUMBER	
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INDURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHEN THIS CERTIFICATE MAY BE ISSUED OR MAY PERFORM, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY TWO CLAIMS.							
YEAR TYPE	TYPE OF INSURANCE	AGREED INS. LIMIT	POLICY NUMBER	POLICY EFF. DATE/TIME	POLICY EXP. DATE/TIME	LIMITS	
<input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIM-MADE <input type="checkbox"/> OCCUR						EACH OCCURRENCE	\$
						DAMAGES TO RENTED PREMISES (Excluded)	\$
						MED EXP (New and related)	\$
						PERSONAL & ADLY DUTY	\$
<input type="checkbox"/> PERIL AGGREGATE LIMIT APPLIED PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PERIL <input type="checkbox"/> LOC						GENERAL AGGREGATE	\$
						PRODUCTS - COMPLETED	\$
							\$
							\$
<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL DAMAGE AUTOS <input type="checkbox"/> MIXED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						PERSONAL AND FAMILIAL (Excluded)	\$
						BODILY INJURY (Excluded)	\$
						HOUSHOLD AUTO (Excluded)	\$
						PROPERTY DAMAGE (Excluded)	\$
<input type="checkbox"/> DIRECTORIAL LIABILITY <input type="checkbox"/> EXCESS (LINE) <input type="checkbox"/> TIED <input type="checkbox"/> RETENTION						EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS LIABILITY <input type="checkbox"/> ANY PROPRIETARY OR REPRESENTING OFFICER/OWNER/EMPLOYEE <input type="checkbox"/> (Non-employee) (Inj) <input type="checkbox"/> (Inj), (Sickness) (Inj) <input type="checkbox"/> (Sickness) (Inj) (Sickness)						W/STATE - (Inj) (Sickness)	\$
						EL - EACH ACCIDENT	\$
						EL - INJURY - (S) EMPLOYED	\$
						EL - INJURY - POLICY LIMIT	\$

INSTRUCTIONS: OF OPERATIONS / LOCATIONS / VEHICLES (attach ADDRESS and Addressed Envelope Schedule, if necessary to be required)

100

CERTIFICATE HOLDER	CANCELLATION
	<p>SHOULD ANY OF THE ABOVE DESCRIBED POLICES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.</p>
	<p>AUTHORIZED REPRESENTATIVE</p>

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ACORD 25 (2/10/05)

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ACORD EVIDENCE OF COMMERCIAL PROPERTY INSURANCE		DATE (MM/DD/YYYY)	
<p>THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURERS, AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.</p>			
PROVIDER NAME CONTACT PERSON AND ADDRESS PHONE FAX NO.		COMPANY NAME AND ADDRESS PHONE NO.	
DATE CANCELLED BY NAMED INSURED AND ADDRESS		PRINCIPLE COMPANY, COMPLETE NAME FOR POLICY POLICY TYPE POLICY NUMBER EXPIRATION DATE EXPIRATION RANGE CONTINUED DATE TERMINATED BY CHECKED	
ADDITIONAL NAMED INSURED(S)		THIS REPLACES PREVIOUS EVIDENCE DATED:	
PROPERTY INFORMATION (Use REMARKS on page 2 if more space is required) <input type="checkbox"/> BUILDINGS OR <input type="checkbox"/> BUSINESS PERSONAL PROPERTY			
LOCATION DESCRIPTION			
THE POLICES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REIMBURSEMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY EXIST, THE INSURANCE AFFORDED BY THE POLICES DESCRIBED HEREIN IS SUBJECT TO ALL TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.			
COVERAGE INFORMATION PERIS INSURED <input type="checkbox"/> BASE <input type="checkbox"/> BROAD <input type="checkbox"/> SPECIAL			
COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE \$			
YES NO (N/A)			
<input type="checkbox"/> BUSINESS INCOME <input type="checkbox"/> RENTAL VALUE			
BLANKET COVERAGE			
TERRORISM COVERAGE			
IS THERE A TERRORISM-SPECIFIC EXCLUSION?			
IS DOMESTIC TERRORISM EXCLUDED?			
LIMITED FUNDS COVERAGE			
FUNDS EXCLUSION (YES - specify in Remarks)			
REPLACEMENT COST			
AGREED VALUE			
CONSUMABLES			
EQUIPMENT BREAKDOWN (If Applicable)			
ORDINANCE OR LAW - Coverage for loss to unimproved portion of bldg			
- Demolition Costs			
- Inc. Cost of Construction			
EARTH MOVEMENT (If Applicable)			
FLOOD (If Applicable)			
WIND / HAIL (If Subject to Different Provisions)			
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS			
CANCELLATION			
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.			
ADDITIONAL INTEREST			
MORTGAGE		CONTRACT OF SALE	
LENDER LOSS PAYABLE		LENDER SERVING AS AGENT NAME AND ADDRESS	
NAME AND ADDRESS		AUTHORIZED REPRESENTATIVE	

ACORD 25 (02/01/02)

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FORM OF RESOLUTION OF NEED FROM MUNICIPALITY

[NOTE: this may be used for Agency financing only OR for Agency and Home Express financing]

WHEREAS, _____ (hereinafter referred to as the "Sponsor") proposes to construct a (*) _____ housing project (hereinafter referred to as the "project") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1.1 et seq., and all applicable guidelines promulgated thereunder (the foregoing hereinafter collectively referred to as the "HMFA Requirements") within the _____ of _____ (hereinafter referred to as the "Municipality") on a site described as Lot _____, Block _____ as shown on the Official Assessment Map of the _____ of _____, _____ County and commonly known as _____, _____ [project name and/or street address], New Jersey; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

[INCLUDE THIS PARAGRAPH IF HOME EXPRESS FINANCING IS PART OF THE PROJECT'S PROPOSED FUNDING]: WHEREAS, the Project will be subject to requirements of the New Jersey Department of Community Affairs (hereinafter referred to as the "Department of Community Affairs"), Neighborhood Preservation Balanced Housing Program in accordance with N.J.S.A. 52:27D-320 and applicable rules promulgated thereunder at N.J.A.C. 5:43-1.1 et seq., and the mortgage and other loan documents executed between the Sponsor and the Commissioner of the Department of Community Affairs; and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a need for this housing project in the Municipality.

NOW, THEREFORE, BE IT RESOLVED by the Council of the _____ of _____ (the "Council") that:

- (1) The Council finds and determines that the (*) _____ Project proposed by the Sponsor meets or will meet an existing housing need;
- (2) **[INCLUDE THIS PARAGRAPH IF HOME EXPRESS FINANCING IS PART OF THE PROJECT'S PROPOSED FUNDING]:** The Council finds and determines that the (*) _____ Project proposed by the Sponsor meets or will meet all or part of the municipality's low and moderate income housing obligation;
- (3) The Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in conformity with the provisions of the HMFA Law to enable the Agency to process the Sponsor's application for Agency funding to finance the Project.

(*) Please include Project Name and available descriptive information about the project – number of units, family or senior citizen, low- or moderate-income.

**FORM OF
TAX ABATEMENT RESOLUTION**

WHEREAS, _____ (hereinafter referred to as the "Sponsor") proposes to construct a housing project [_____ *insert some descriptive information about the project- name, number of units, multi family, senior, high, mid, low-rise*] (hereinafter referred to as the "Project") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1 et seq., and all applicable guidelines (the foregoing hereinafter referred to as the "HMFA Requirements") within the municipality of _____ (hereinafter referred to as the "Municipality") on a site described as Lot _____, Block _____ as shown on the Official Assessment Map of the _____ of _____, _____ County and commonly known as [street address]; and

WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereinafter referred to as the "Agency"); and

[INCLUDE THIS PARAGRAPH IF HOME EXPRESS FINANCING IS PART OF THE PROJECT'S PROPOSED FUNDING]: WHEREAS, the Project will be subject to requirements of the New Jersey Department of Community Affairs (hereinafter referred to as the "Department of Community Affairs"), Neighborhood Preservation Balanced Housing Program in accordance with N.J.S.A. 52:27D-320 and applicable rules promulgated thereunder at N.J.A.C. 5:43-1.1 et seq., and the mortgage and other loan documents executed between the Sponsor and the Commissioner of the Department of Community Affairs; and

[INCLUDE THIS PARAGRAPH IF AGENCY BOND FINANCING IS PART OF THE PROJECT'S PROPOSED FUNDING]: WHEREAS, the Project will be subject to the HMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the Agency; and

WHEREAS, pursuant to the HMFA Requirements, the governing body of the Municipality hereby determines that there is a need for this housing project in the Municipality; and

WHEREAS, the Sponsor has presented to the Municipal Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached hereto and made a part hereof as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Council of the _____ of _____ (the "Council") that:

- (1) The Council finds and determines that the proposed Project will meet or meets an existing housing need;
- (2) The Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in the conformity with the provisions

of the HMFA Requirements with the intent and purpose that the Agency shall rely thereon in making a mortgage loan to the Sponsor, which shall construct, own and operate the Project; and

- (3) The Council does hereby adopt the within Resolution with the further intent and purpose that from the date of execution of the Agency mortgage, the proposed Project, including both the land and improvements thereon, will be exempt from real property taxation as provided in the HMFA Requirements, provided that payments in lieu of taxes for municipal services supplied to the Project are made to the municipality in such amounts and manner set forth in the Agreement for Payments in Lieu of Taxes attached hereto as Exhibit "B"; and
- (4) The Council hereby authorizes and directs the Mayor of the _____ of _____ to execute, on behalf of the municipality, the Agreement for Payments in Lieu of Taxes in substantially the form annexed hereto as Exhibit "B"; and
- (5) The Council understands and agrees that the revenue projections set forth in Exhibit "A" are estimates and that the actual payments in lieu of taxes to be paid by the Sponsor to the municipality shall be determined pursuant to the Agreement for Payments in Lieu of Taxes executed between the Sponsor and municipality.

[FORM OF]
AGREEMENT FOR PAYMENT IN LIEU OF TAXES

_____, HMFA #(s) _____
Insert project name and Agency number(s) above.

THIS AGREEMENT, made this _____ day of _____, 19____, between _____, a [limited partnership, limited liability company, corporation] of the State of _____, having its principal office at _____ (hereinafter the "Sponsor") and the _____ of _____, a municipal corporation in the County of _____ and State of New Jersey (hereinafter the "Municipality").

WITNESSETH

In consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

1. This Agreement is made pursuant to the authority contained in Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983 (N.J.S.A. 55:14K-1 et seq.) (hereinafter "HMFA Law") and a Resolution of the Council of the Municipality dated _____, 19____, (the "Resolution") and with the approval of the New Jersey Housing and Mortgage Finance Agency (hereinafter the "Agency"), as required by N.J.S.A. 55:14K-37.

2. The Project is or will be situated on that parcel of land designated as Block _____, Lot _____ as shown on the Official Assessment Map of the _____ of _____, and more commonly referred to as _____, New Jersey.

3. As of the date the Sponsor executes a first mortgage upon the Project in favor of the Agency (hereinafter referred to as the "Agency Mortgage"), the land and improvements comprising the Project shall be exempt from real property taxes, provided that the Sponsor shall make payments in lieu of taxes to the Municipality as provided hereinafter. The exemption of the Project from real property taxation and the sponsor's obligation to make payments in lieu of taxes shall not extend beyond the date on which the Agency Mortgage is paid in full, which, according to the HMFA Law, may not exceed fifty (50) years.

4. (a) For projects receiving construction and permanent financing from the Agency, the Sponsor shall make payment to the Municipality of an annual service charge in lieu of taxes in such amount as follows:

- (1) From the date of the execution of the Agency Mortgage until the date of substantial completion of the Project, the Sponsor shall make payment to the municipality in an amount equal to _____ (pursuant to the HMFA Law, the annual amount may not exceed the amount of taxes due on the property for the year preceding the recording of the Agency Mortgage). As used herein, "Substantial Completion" means the date upon which the Municipality issues the Certificate of Occupancy for all units in the Project.

(2) From the date of Substantial Completion of the Project and for the remaining term of the NJHMFA Mortgage, the Sponsor shall make payment to the Municipality in an amount equal to 6.28 percent of Project Revenues.

(b) For Projects receiving permanent financing only from the Agency, the Sponsor shall make payment to the Municipality in an amount equal to 6.28 percent of Project Revenues from the date of the Agency Mortgage and for the remaining term of the Agency Mortgage.

(c) As used herein, "Project Revenues" means the total annual gross rental or carrying charge and other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, and less vacancies if any. Project Revenues shall not include any rental subsidy contributions received from any federal or state program.

(d) The amount of payment in lieu of taxes to be paid pursuant to paragraphs (a) or (b) and (c) above is calculated in Exhibit "A" attached hereto. It is expressly understood and agreed that the revenue projections provided to the Municipality as set forth in Exhibit "A" and as part of the Sponsor's application for an agreement for payments in lieu of taxes are estimates only. The actual payments in lieu of taxes to be paid by the Sponsor shall be determined pursuant to Section 5 below.

5. (a) Payments by the Sponsor shall be made on a quarterly basis in accordance with bills issued by the Tax Collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon Project Revenues of the previous quarter. No later than three (3) months following the end of the first fiscal year of operation after (i) the date of Substantial Completion (for projects receiving construction and permanent financing) or (ii) the date of the Agency Mortgage (for projects receiving permanent financing only) and each year thereafter that this Agreement remains in effect, the Sponsor shall submit to the Municipality a certified, audited financial statement of the operation of the Project (the "Audit"), setting forth the Project Revenues and the total payments in lieu of taxes due to the Municipality calculated at 6.28 percent of Project Revenues as set forth in the Audit (the "Audit Amount"). The Sponsor simultaneously shall pay the difference, if any, between (i) the Audit Amount and (ii) payments made by the Sponsor to the Municipality for the preceding fiscal year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Sponsor for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Sponsor.

(b) All payments pursuant to this Agreement shall be in lieu of taxes and the Municipality shall have all the rights and remedies of tax enforcement granted to Municipalities by law just as if said payments constituted regular tax obligations on real property within the Municipality. If, however, the Municipality disputes the total amount of the annual payment in lieu of taxes due it, based upon the Audit, it may apply to the Superior Court, Chancery Division for an accounting of the service charge due the Municipality, in accordance with this Agreement and HMFA Law. Any such action must be commenced within one year of the receipt of the Audit by the Municipality.

(c) In the event of any delinquency in the aforesaid payments, the Municipality shall give notice to the Sponsor and NJHMFA in the manner set forth in 9(a) below, prior to any legal action being taken.

6. The tax exemption provided herein shall apply only so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency, but in no event longer than the term of the Agency Mortgage. In the event of (a) a sale, transfer or conveyance of the Project by the Sponsor or (b) a change in the organizational structure of the Sponsor, this Agreement shall be assigned to the Sponsor's successor and shall continue in full force and effect so long as the successor entity qualifies under the HMFA Law or any other state law applicable at the time of the assignment of this Agreement and is obligated under the Agency Mortgage.

7. Upon any termination of such tax exemption, whether by affirmative action of the Sponsor, its successors and assigns, or by virtue of the provisions of the HMFA Law, or any other applicable state law, the Project shall be taxed as omitted property in accordance with the law.

8. The Sponsor, its successors and assigns shall, upon request, permit inspection of property, equipment, buildings and other facilities of the Project and also documents and papers by representatives duly authorized by the Municipality. Any such inspection, examination or audit shall be made during reasonable hours of the business day, in the presence of an officer or agent of the Sponsor or its successors and assigns.

9. Any notice or communication sent by either party to the other hereunder shall be sent by certified mail, return receipt requested, addressed as follows:

(a) When sent by the Municipality to the Sponsor, it shall be addressed to _____ or to such other address as the Sponsor may hereafter designate in writing and a copy of said notice or communication by the Municipality to the Sponsor shall be sent by the Municipality to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

(b) When sent by the Sponsor to the Municipality, it shall be addressed to the _____ or to such other address as the Municipality may designate in writing; and a copy of said notice or communication by the Sponsor to the Municipality shall be sent by the Sponsor to the New Jersey Housing and Mortgage Finance Agency, 637 South Clinton Avenue, P.O. Box 18550, Trenton, New Jersey 08650-2085.

10. In the event of a breach of this Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court, Chancery Division, to settle and resolve said dispute in such fashion as will tend to accomplish the purposes of the HMFA Law.

11. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. It shall not be necessary in making proof of this Agreement to produce or account for more than a sufficient number of counterparts to evidence the execution of this Agreement by each party hereto.

ATTEST

SPONSOR:

By: _____

By: _____

ATTEST

MUNICIPALITY:

By: _____

AIA Document A312™ – 2010

Performance Bond

CONTRACTOR:
(Name, legal status and address)

SURETY:
(Name, legal status and principal place
of business)

NAIC # _____

OWNER:
(Name, legal status and address)

CONSTRUCTION CONTRACT
Date:

Amount:

Description:
(Name and location) (Include Lot and Block Number)

BOND
Date:
(Not earlier than Construction Contract Date)

Amount:

Modifications to this Bond: ☐ None ☒ See Section 16

CONTRACTOR AS PRINCIPAL **SURETY**
Company: (Corporate Seal) Company: (Corporate Seal)

Signature: _____ Signature: _____
Name _____ Name _____
and Title: _____ and Title: _____
(Any additional signatures appear on the last page of this Performance Bond.)

(FOR INFORMATION ONLY—Name, address and telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE:
(Architect, Engineer or other party:)

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312–2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

§ 2 If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except when applicable to participate in a conference as provided in Section 3.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation under this Bond shall arise after

- 1 the Owner first provides notice to the Contractor and the Surety that the Owner is considering declaring a Contractor Default. Such notice shall indicate whether the Owner is requesting a conference among the Owner, Contractor and Surety to discuss the Contractor's performance. If the Owner does not request a conference, the Surety may, within five (5) business days after receipt of the Owner's notice, request such a conference. If the Surety timely requests a conference, the Owner shall attend. Unless the Owner agrees otherwise, any conference requested under this Section 3.1 shall be held within ten (10) business days of the Surety's receipt of the Owner's notice. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default;
- 2 the Owner declares a Contractor Default, terminates the Construction Contract and notifies the Surety; and
- 3 the Owner has agreed to pay the Balance of the Contract Price in accordance with the terms of the Construction Contract to the Surety or to a contractor selected to perform the Construction Contract.

§ 4 Failure on the part of the Owner to comply with the notice requirement in Section 3.1 shall not constitute a failure to comply with a condition precedent to the Surety's obligations, or release the Surety from its obligations, except to the extent the Surety demonstrates actual prejudice.

§ 5 When the Owner has satisfied the conditions of Section 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

§ 5.1 Arrange for the Contractor, with the consent of the Owner, to perform and complete the Construction Contract;

§ 5.2 Undertake to perform and complete the Construction Contract itself, through its agents or independent contractors;

§ 5.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and a contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Section 7 in excess of the Balance of the Contract Price incurred by the Owner as a result of the Contractor Default; or

§ 5.4 Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

- 1 After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, make payment to the Owner; or
- 2 Deny liability in whole or in part and notify the Owner, citing the reasons for denial.

§ 6 If the Surety does not proceed as provided in Section 5 with reasonable promptness, the Surety shall be deemed to be in default on this Bond seven days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Section 5.4, and the Owner refuses the payment or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

§ 7 If the Surety elects to act under Section 5.1, 5.2 or 5.3, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. Subject to the commitment by the Owner to pay the Balance of the Contract Price, the Surety is obligated, without duplication, for

- 1 the responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;
- 2 additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Section 5; and
- 3 liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

§ 8 If the Surety elects to act under Section 5.1, 5.3 or 5.4, the Surety's liability is limited to the amount of this Bond.

§ 9 The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, successors and assigns.

§ 10 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 11 Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after a declaration of Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 12 Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears.

§ 13 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 14 Definitions.

§ 14.1 Balance of the Contract Price. The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

§ 14.2 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and changes made to the agreement and the Contract Documents.

§ 14.3 Contractor Default. Failure of the Contractor, which has not been remedied or waived, to perform or otherwise to comply with a material term of the Construction Contract.

§ 14.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 14.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 15 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 16 Modifications to this bond are as follows:

Notwithstanding any other provisions contained in this Performance Bond, this Performance Bond shall remain in full force and effect until a Certificate of Occupancy for the property constructed pursuant to the terms and conditions of the Construction Contract has been issued by the local governmental authority having jurisdiction accompanied by a certification of substantial completion issued by the Architect of Record for the property further accompanied by an authorization of the release of this Performance Bond issued by the New Jersey Housing and Mortgage Finance Agency. Upon same, Principal shall execute and provide to and for the benefit of the New Jersey Housing and Mortgage Finance Agency a Maintenance and Warranty Bond for a term of two (2) years in form and content satisfactory to the New Jersey Housing and Mortgage Finance Agency as related to the property constructed pursuant to the terms and conditions of the Construction Contract.

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

Address: _____

Address: _____

Init.

AIA Document A312™ – 2010

Payment Bond

CONTRACTOR:
(Name, legal status and address)

SURETY:
(Name, legal status and principal place
of business)

NAIC # _____

OWNER:
(Name, legal status and address)

CONSTRUCTION CONTRACT
Date:

Amount:

Description:
(Name and location) (Include Lot and Block Number)

BOND
Date:
(Not earlier than Construction Contract Date)

Amount:

Modifications to this Bond: ☐ None ☒ See Section 18

CONTRACTOR AS PRINCIPAL **SURETY**
Company: (Corporate Seal) Company: (Corporate Seal)

Signature: _____ Signature: _____
Name Name
and Title: and Title:
(Any additional signatures appear on the last page of this Payment Bond.)

(FOR INFORMATION ONLY — Name, address and telephone)

AGENT or BROKER:

OWNER'S REPRESENTATIVE:
(Architect, Engineer or other party:)

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

AIA Document A312-2010 combines two separate bonds, a Performance Bond and a Payment Bond, into one form. This is not a single combined Performance and Payment Bond.

§ 1 The Contractor and Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference, subject to the following terms.

§ 2 If the Contractor promptly makes payment of all sums due to Claimants, and defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract, then the Surety and the Contractor shall have no obligation under this Bond.

§ 3 If there is no Owner Default under the Construction Contract, the Surety's obligation to the Owner under this Bond shall arise after the Owner has promptly notified the Contractor and the Surety (at the address described in Section 13) of claims, demands, liens or suits against the Owner or the Owner's property by any person or entity seeking payment for labor, materials or equipment furnished for use in the performance of the Construction Contract and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety.

§ 4 When the Owner has satisfied the conditions in Section 3, the Surety shall promptly and at the Surety's expense defend, indemnify and hold harmless the Owner against a duly tendered claim, demand, lien or suit.

§ 5 The Surety's obligations to a Claimant under this Bond shall arise after the following:

§ 5.1 Claimants, who do not have a direct contract with the Contractor,

- .1 have furnished a written notice of non-payment to the Contractor, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were, or equipment was, furnished or supplied or for whom the labor was done or performed, within ninety (90) days after having last performed labor or last furnished materials or equipment included in the Claim; and
- .2 have sent a Claim to the Surety (at the address described in Section 13).

§ 5.2 Claimants, who are employed by or have a direct contract with the Contractor, have sent a Claim to the Surety (at the address described in Section 13).

§ 6 If a notice of non-payment required by Section 5.1.1 is given by the Owner to the Contractor, that is sufficient to satisfy a Claimant's obligation to furnish a written notice of non-payment under Section 5.1.1.

§ 7 When a Claimant has satisfied the conditions of Sections 5.1 or 5.2, whichever is applicable, the Surety shall promptly and at the Surety's expense take the following actions:

§ 7.1 Send an answer to the Claimant, with a copy to the Owner, within sixty (60) days after receipt of the Claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed; and

§ 7.2 Pay or arrange for payment of any undisputed amounts.

§ 7.3 The Surety's failure to discharge its obligations under Section 7.1 or Section 7.2 shall not be deemed to constitute a waiver of defenses the Surety or Contractor may have or acquire as to a Claim, except as to undisputed amounts for which the Surety and Claimant have reached agreement. If, however, the Surety fails to discharge its obligations under Section 7.1 or Section 7.2, the Surety shall indemnify the Claimant for the reasonable attorney's fees the Claimant incurs thereafter to recover any sums found to be due and owing to the Claimant.

§ 8 The Surety's total obligation shall not exceed the amount of this Bond, plus the amount of reasonable attorney's fees provided under Section 7.3, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.

§ 9 Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any construction performance bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

§ 10 The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.

§ 11 The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

§ 12 No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1.2 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.

§ 13 Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.

§ 14 When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

§ 15 Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.

§ 16 Definitions

§ 16.1 Claim. A written statement by the Claimant including at a minimum:

- 1 the name of the Claimant;
- 2 the name of the person for whom the labor was done, or materials or equipment furnished;
- 3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- 4 a brief description of the labor, materials or equipment furnished;
- 5 the date on which the Claimant last performed labor or last furnished materials or equipment for use in the performance of the Construction Contract;
- 6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- 7 the total amount of previous payments received by the Claimant; and
- 8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the Claim.

§ 16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

§ 16.3 Construction Contract. The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the agreement and the Contract Documents.

§ 16.4 Owner Default. Failure of the Owner, which has not been remedied or waived, to pay the Contractor as required under the Construction Contract or to perform and complete or comply with the other material terms of the Construction Contract.

§ 16.5 Contract Documents. All the documents that comprise the agreement between the Owner and Contractor.

§ 17 If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

§ 18 Modifications to this bond are as follows:

Notwithstanding any other provisions contained in this Payment Bond, this Payment Bond shall remain in full force and effect until a Certificate of Occupancy for the property constructed pursuant to the terms and conditions of the Construction Contract has been issued by the local governmental authority having jurisdiction accompanied by a certification of substantial completion issued by the Architect of Record for the property further accompanied by an authorization of the release of this Payment Bond issued by the New Jersey Housing and Mortgage Finance Agency. Upon same, Principal shall execute and provide to and for the benefit of the New Jersey Housing and Mortgage Finance Agency a Maintenance and Warranty Bond for a term of two (2) years in form and content satisfactory to the New Jersey Housing and Mortgage Finance Agency as related to the property constructed pursuant to the terms and conditions of the Construction Contract.

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

SURETY

Company:

(Corporate Seal)

Company:

(Corporate Seal)

Signature: _____

Signature: _____

Name and Title: _____

Name and Title: _____

Address: _____

Address: _____

New Jersey Housing and Mortgage Finance Agency
637 South Clinton Avenue – Trenton – NJ - 08611

MAINTENANCE/WARRANTY BOND

Bond No.: _____ NJHMF A Project No.: _____
Project Name: _____
Project Address: _____

KNOW ALL PERSONS BY THESE PRESENTS:

That we, _____
as "Principal",
and _____
(NAIC# _____)
(NAIC# _____)
as "Surety" or as "Co-Surety",

each a corporation duly licensed to transact business in the State of New Jersey, and the Surety or Co-Surety authorized or admitted as an insurance company in the State of New Jersey, are hereby jointly and severally held and firmly bound unto the NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY, as "Obligee", in the sum of \$ _____ (the "Bonded Sum") for the payment whereof the Principal and Surety (or Co-Sureties) bind themselves, and their heirs, executors, administrators, representatives, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has heretofore entered into a Financing Deed Restriction and Regulatory Agreement (the "Contract") with said Obligee dated _____ for the financing of the multifamily residential rental Project located at the Project Address noted hereinabove, said Project known as _____
"Project" and;

WHEREAS, the Principal is required to guarantee the construction of the Project developed under said Contract against defects in materials and workmanship which may develop during the period beginning on the _____ day of _____, 20____ and ending on the _____ day of _____, 20____ {Must include a two (2) year time period.} (the "Warranty Obligations").

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH THAT, if Principal shall promptly and faithfully carry out and perform the said guarantee, and shall, on due notice, repair and make good at its own expense any and all defects in materials or workmanship in the said work to the satisfaction of the Obligee which may develop during the period specified above and shall pay over, make good and reimburse to the Obligee any loss said Obligee may sustain by reason of failure or default of the Principal to do so, then this obligation shall be null and void otherwise this obligation shall remain in full force and effect, it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall in no event exceed the Bonded Sum.

WHENEVER Principal shall be, and is declared by the Oblige to be in default with respect to its Warranty Obligations, provided that the Oblige is not then in material default thereunder, Surety shall promptly take one of the following actions with the consent of the Oblige:

- (1) Arrange for Principal to perform and complete the Warranty Obligations of this Bond;
- (2) Complete the Warranty Obligations in accordance with the terms and conditions of the Contract then in effect, through its agents or through independent contractors;
- (3) Obtain bids or negotiated proposals from qualified contractors acceptable to the Oblige for a contract for performance, completion and correction of defective materials and/or workmanship through a procurement process approved by the Oblige, arrange for a contract to be prepared for execution by the Oblige and the contractor selected with the Oblige's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the contract; or
- (4) Waive its right to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances, (i) after investigation, determine the amount for which it may be liable to the Oblige and, as soon as practicable after the amount is determined, tender payment therefore to the Oblige, or (ii) deny liability in whole or in part and notify the Oblige citing reasons therefore.

If Surety does not proceed with reasonable promptness, Surety shall be deemed to be in default on this Bond fifteen (15) days after receipt of an additional written notice from the Oblige to Surety demanding that Surety perform its obligations under this Bond, and the Oblige shall be entitled to enforce any remedy available to the Oblige. If Surety proceeds as provided in (4) above, and the Oblige refuses the payment tendered or Surety has denied liability, in whole or in part, without further notice the Oblige shall be entitled to enforce any remedy available to the Oblige.

After the Oblige has terminated the Principal's right to complete the Warranty Obligations, and if Surety elects to act under (1), (2) or (3) above, then the responsibilities of Surety to the Oblige shall not be greater than those of the Principal under this Bond, and the responsibilities of the Oblige to Surety shall not be greater than those of the Oblige under this Bond. To the limit of the Bonded Sum, the Surety is obligated without duplication for:

- (a) The responsibilities of the Principal for correction of defective materials and workmanship;
- (b) Actual damages, including additional legal, design professional and delay costs resulting from Principal's default and resulting from the actions or failure to act of Surety;
- (c) Liquidated Damages under the Contract;

No alteration, modification or supplement to the Warranty provisions of the Contract Documents or the nature of the work to be performed thereunder, including without limitation any extension of time for performance, shall in any way affect the obligation of the Surety under this Bond. Surety waives notice of any alteration, modification, supplement or extension of time.

IN WITNESS WHEREOF, Principal and Surety have caused this Bond to be executed and delivered as of the _____ day of _____, 20_____.

Principal: _____

BY: _____

ITS _____

(Seal)

Surety: _____

BY: _____

ITS _____

(Seal)

Co-Surety: _____

BY: _____

ITS _____

(Seal)

IRREVOCABLE STANDBY LETTER OF CREDIT

LETTER OF CREDIT NO. _____

ISSUE DATE _____

EXPIRATION DATE _____

New Jersey Housing and Mortgage Finance Agency
P.O. Box 18550
Trenton, New Jersey 08650-2085

We hereby open our Irrevocable Standby Letter of Credit in your favor for the account of *[insert project owner name and address]* in the aggregate amount of \$ _____ available by payment against the following documents:

1. The beneficiary's draft(s) drawn on us at sight, duly endorsed on the reverse side thereof, and bearing the clause: "Drawn Under *[insert bank name]* Standby Letter of Credit number _____".
2. A typewritten statement on the letterhead of and purportedly signed by the Secretary or Assistant Secretary of New Jersey Housing and Mortgage Finance Agency certifying that: "Funds drawn under this Letter of Credit are for *[insert purpose/uses of LOC]* for the _____ Project. Therefore, we demand payment of \$ _____ under *[insert bank name]* Standby Letter of Credit number _____".
3. The original of this Letter of Credit and all amendments, if any, for our endorsement. (If your demand represents a partial drawing hereunder, we will endorse the original Letter of Credit and return same to you for possible future claims. If however, your demand represents a full drawing or if such drawing is presented on the day of the relevant expiration date hereof, we will hold the original for our files and remove same from circulation.)

This Irrevocable Letter of Credit sets forth in full the terms of our undertaking. This undertaking shall not in any way be revoked, modified, amended, or amplified by reference to any document, instrument or contract referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates and any such reference shall not be deemed to incorporate herein by reference any document or instrument.

We hereby agree with you that draft(s) drawn under and in compliance with the terms and conditions of this credit shall be duly honored if presented together with document(s) as specified and the original of this credit on or before the above stated expiry date.

Documents may be presented at:

[insert bank name and address]

Authorized Signature
[insert name of bank]

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
PERMANENT TAKE-OUT FINANCING
DOCUMENT CHECKLIST**

*The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to **Declaration of Intent**. The requirements listed in Section II of this checklist must be satisfied prior to a **Mortgage Commitment**. And the requirements in Section III of this checklist must be satisfied prior to the **inclusion in a bond issue**.*

**** If this project intends to receive financing for this project through additional Agency or Agency administered programs, additional requirements are noted on the attached list of program requirements that is hereby made a part of the Project Document Checklist. Additional requirements specific to the project may also be attached.**

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing:	1.	Date Closed:
	2.	Date Closed:
	3.	Date Closed:

DATE LAST UPDATED:

PROJECT NAME:

HMFA PROJECT NUMBER:

Project Address:

Block:

Lot:

of Units:

of Beds (SN):

Type of Tax Credits:

Set Aside:

Const. Period:

Population:

COMMITMENT EXPIRATION DATE:

PARALEGAL:

Phone #:

Fax #:

e-mail:

DAG:

Phone #:

Fax #:

e-mail:

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Revised December 10, 2014 (AEB)

PERMANENT ONLY

MULTIFAMILY CREDIT OFFICER:

Phone #:

Fax #:

e-mail:

SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #:

Fax #:

e-mail:

GREEN OFFICE CONTACT:

Phone #:

Fax #:

e-mail:

SPONSORING ENTITY/BORROWER:

Contact Person:

Address:

City, State, Zip:

Phone#:

Fax #:

e-mail:

CONSULTANT (If applicable):

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

OWNER: (If different than borrowing entity) (SELLER)

Contact Person:

Address:

City, State, Zip:

Phone#:

Fax #:

e-mail:

GENERAL PARTNER:

LIMITED PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#:

Fax #:

e-mail:

ARCHITECT:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

GENERAL CONTRACTOR:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

MANAGING AGENT:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

SOCIAL SERVICE PROVIDER (if Special Needs project)

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

ACCOUNTANT:

Address:

City, State, Zip:

Phone #:

Fax#: e-mail:

OTHER:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

A - Document Received and Approved

NA - Not Applicable

R - Document Received and either (1) Under review or (2) Requires modification or update as indicated

** - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFA website: www.state.nj.us/dca/hmfa.*

Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.

Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.

All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

SPONSOR:

____ UNIAP Application* (*For Special Needs projects, the population to be served plus the service provider must be clearly identified in the application.*)
(Date Received _____) (Date Approved _____)

STATUS: _____

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PERMANENT ONLY

____ Project Narrative, including Overview of Scope of Work *(For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative requirements.)*

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Preliminary Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ General Site Location Map and Directions

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resume for Sponsor

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Site Control

____ Deed

____ Option Agreement

____ Contract of Sale

____ Redevelopment Agreement

____ Ground Lease or Option to Enter into Ground Lease

____ Condominium Requirements, if applicable

____ Condominium Association By-laws

____ Master Deed

____ Certificate of Formation of Condominium Association

____ Other

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) *(Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in the Agency's portfolio.) (Not required for Special Needs projects, unless required by another Agency funding source.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ Preliminary Drawings
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Site Inspection Report
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Board Resolution for Declaration of Intent
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Declaration of Intent Letter
(Date Received _____) (Date Approved _____)
STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE TECHNICAL SERVICES (GREEN HIGHLIGHTS) & INSURANCE DIVISIONS (BLUE HIGHLIGHTS) WILL NOT BEGIN REVIEW UNTIL ALL DOCUMENTS NOTED WITH SPECIFIED COLOR HIGHLIGHTS HAVE BEEN SUBMITTED IN COMPLETED FORM. IN THE CASE WHERE BOTH TECHNICAL SERVICES & INSURANCE DIVISIONS REQUIRE SAME, THEY WILL BE NOTED IN YELLOW HIGHLIGHTS.

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity
N.J.S.A. 40A:20-1 et seq)
____ Certificate of Limited Partnership
____ Certificate of Formation (Limited Liability Company)
____ Certificate of Incorporation (required for a corporate sponsor and for any
corporate general partner or managing member and for any corporate limited
partner assigning syndication proceeds)
____ Certificate of Formation for Managing Member
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Corporate Certification and Questionnaire*, as applicable
____ Sponsoring Entity/Borrower
____ General Partner (Limited Partnership)
____ Managing Member
____ Other entity owning 10% or greater interest in sponsoring entity

____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, or in the General Partner or Managing member entity/Borrower* *(For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.)*

____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity or in the General Partner or Managing member entity/Borrower* ***(Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.)***

(Search Results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Environmental Preliminary Assessment Report** (Phase I) (pursuant to N.J.A.C. 7:26E-3.2)

In addition, the following are required for existing structures:

____ Lead Based Paint Report/Removal Plan

____ Asbestos Containing Materials Report/Remediation Plan

____ Radon Testing/Remediation Plan

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Environmental Report (Phase II)** (pursuant to N.J.A.C. 7:26E-3.3) (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Resolution Granting Preliminary AND/OR Final Site Plan Approval, Subdivision and Any Zoning Variances from Municipality and County, if applicable.** *For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Street Vacation Ordinances** (Resolution with Proof of Publication), (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Municipal Resolution Granting Payments in Lieu of Taxes*, (If applicable)

_____ Agency statute is N.J.S.A. 55:14K-37.

_____ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 *et seq.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Agreement for Payment in Lieu of Taxes*, (If applicable) *(For Preservation Loan projects, refer to the Preservation Program document checklist requirements.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Financing Commitments from Other Funding Sources *(List All)*

_____ Equity Commitments ()

_____ Construction Lender ()

_____ DCA Balanced Housing Funds: *Please contact Natasha Encarnacion, Housing Affordability Service ("HAS") Business Development Coordinator at NJHMF (609) 278-8834 for preparation of Developer's Rental Agreement, if applicable.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Executed Rental Assistance Agreements, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Affirmative Fair Housing Marketing Plan* *(Not required for Special Needs projects, unless required by another Agency funding source.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Housing Resource Center ("HRC") registration of project entity. For Multifamily residential rental projects *(Not required for Special Needs projects, unless required by another Agency funding source.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Confirmation of Availability of Utility Services (electric, gas, water, sewer)

(Letters should be within at least 6 months of anticipated Agency commitment, if applicable)

_____ Letter from Utility Companies

_____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type.

_____ Resolution from Municipal/County Authority, if applicable

_____ NJ DEP Treatment Works Approval (Sewer), if applicable

_____ Wetlands Approval, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credits Projects: For only those projects receiving both special needs financing and tax credits, an analysis conducted by the applicant's accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Tax Credits Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant's analysis referenced below, if applicable).
(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMFA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ **Detailed Scope of Work** (Note: Any changes made to the scope of work must be approved by NJHMFA) *For Preservation Loan projects, refer to the Preservation Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Detailed Summary Trade Payment Breakdown on AIA Form 703** (Schedule of Values) signed by General Contractor and based on final Contract Documents. (NOTE: Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

____ **Architect's Contract** (Agency Addendum* required)

For Bond or General Fund financing, Multifamily 5-25 or less bonded projects:

____ *Agency Form of Construction Contract. CDBG addendum must be submitted.*

For FRM Only, Special Needs Only, Preservation, Multifamily 5-25 units or less non-bonded projects:

____ *AIA Form of Construction Contract. Agency and CDBG Addendum must be submitted.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Construction Documents and Project Manual** (in CSI format) must be submitted and shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with the construction contract and with all sheets bearing the same date. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and,
- A detailed project cost estimate by trade.

Prior to submittal of the final drawings, it is encouraged, but not required, to schedule a meeting with Technical Services' staff to review the information to be submitted in order to ensure that the documents will contain all the information required for approval.

Accompanying the construction drawings outlined above, one full-size paper set and one half size paper set, and electronic copies of the drawings on CD, there is to be a separate certification on Architect's letterhead bearing signature and seal stating:

This will certify that the accompanying drawings entitled "PROJECT NAME", dated "DATE OF LATEST REVISION", consisting of the documents set forth

below, have been reviewed by this office and are complete, code compliant, consistent across the disciplines, and issued **for construction**.

DRAWING LIST

List of submitted drawings, manuals, etc.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Architect's Errors and Omission Policy/Certificate of Insurance** (naming NJHMFA as Certificate Holder)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Geotechnical Engineering Report** (Soils Test), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Survey** (2 Sealed Originals Certified to Sponsor, NJHMFA and Title Company)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Certified Land Description**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ **Confirmation of Availability of Utility Services** (electric, gas, water, sewer) (Letters should be within at least 6 months of anticipated Agency commitment, if applicable)

____ Letter from Utility Companies

____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type.

____ NJ DEP Treatment Works Approval (Sewer), if applicable

____ Wetlands Approval, if applicable

____ CAFRA Approval, if applicable

____ Pinelands

____ Resolution from Municipal/County Authority, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ **Construction Contract (Agency Addendum* required)**

(Date Received _____) (Date Approved _____)

STATUS: _____

For Agency Bond or General Fund Financing & Multifamily 5-25 units or less bonded

____ Agency Form of Construction Contract

For Special Needs Only & Preservation, Multifamily 5-25 units or less non bonded project.

_____ AIA Form of Construction Contract

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ ~~Evidence of ability to obtain 100% Payment & Performance Bond~~ (With Sponsor and NJHMFA as Obligees) (Sponsor may provide 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared or obtained by NJHMFA):

_____ Appraisal/Market Study

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Updated Appraisal/Market Study

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Board Resolution Authorizing Mortgage Commitment and Commitment Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Commitment Letter and Indemnification Deposit (Commitment Letter to be executed by Sponsor and returned with Deposit within 10 days of mortgage commitment)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be executed by Sponsor and returned with Fee within 10 days of mortgage re-commitment)*

(Date Received _____) (Date Approved _____)

STATUS: _____

III. ADDITIONAL REQUIREMENTS FOR INCLUSION IN A BOND SALE or FOR INTEREST RATE LOCK

NOTE: If the project will not receive bond funds or an interest rate lock, the following items will be required for closing in addition to the items noted in Section IV of this checklist.

SPONSOR:

_____ Current Operations Agreement for: (Check Which Applies)
_____ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company) Must contain NJHMFA statement – see end of checklist for language.
_____ General Partner or Managing Member of Sponsoring Entity (Must contain NJHMFA Statement)
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ DRAFT Operating Agreement with all Exhibits attached for Sponsoring Entity as it will exist once Limited Partner investor/Investor Member is included. If developer fee is within a Development Agreement, we need a “draft” copy.
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Also need for General Partner/Managing Member if not same as original sponsoring entity.
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s), Current within six (6) months of estimated **bond sale date**
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ TEFRA Certification (TEFRA Sheet) (tax-exempt projects only)*
(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Evidence of Availability of Tax Credits
_____ 42M Letter (for projects using tax-exempt financing) OR
_____ Reservation Letter (for projects awarded competitive tax credits)
_____ Carryover Allocation or Binding Forward Commitment or 8609

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Copies of Loan Documents from Construction Lender

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title Insurance Commitment and Title Related Requirements (updates required for closing)

Commitments needed for each Agency or Agency administered loan closing. For Special Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document Checklist for title requirements.

NOTE: Affirmative insurance required for any exceptions in commitment that will remain at the time of closing.

____ Tax Search

____ Assessment Search

____ Municipal Water/Sewer Utility Search

____ Evidence of payment of taxes, if applicable

____ Evidence of payment of utilities, if applicable

____ Judgment Search

____ Sponsoring Entity

____ General Partner(s)/Managing member(s)

____ Corporate Status and Franchise Tax Search, if applicable

____ Tidelands and Wetlands Search

____ Flood Hazard Area Certification

____ Closing Protection Letter for Title Officer Attending Closing

____ Survey Endorsement insuring final survey without exceptions

____ Title Rundown Confirmation (in writing)

____ Copies of All Instruments of Record

____ First Lien Endorsement, (and/or Second Lien, etc.) if applicable

____ Environmental 8.1 Endorsement

____ Evidence of payment of current condominium fees/assessments, if applicable

____ Arbitration Endorsement

Additional Endorsements as may be required depending on project type :

____ ALTA 13.1 - Leasehold endorsement, if applicable

____ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable

____ ALTA 18 Multiple Parcels Endorsement (if scattered site project)

____ ALTA 5.1 – Planned Unit Development, if applicable

____ Condominium Endorsement, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Cash or Letter of Credit for Negative Arbitrage and/or Cost of **(at time of Bond Sale Only)**

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Owner's Tax Certificate (original to go to Bond Counsel with copy to the Agency)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Attorney Opinion Letter (for bond sale, **for rate lock if rate lock occurs outside of bond sale**; additional opinion required for permanent loan closing)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final Site Plan Approval, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Contractor's Liability Insurance naming Sponsor as Additional Insured

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Construction Contract (Agency Addendum* required) if not previously provided or if changed from first contract submitted.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Building Permits (or letter from municipal building department that building permits will be issued but for payment of permit fee.)

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Bond Letter with Bond Proforma/Cash Flow (Agency Form 10)*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Permanent Financing Agreement*

____ Rate Lock Addendum*, if applicable

____ Satisfaction of Agency Board Commitment Conditions, if any, unless specifically noted as loan closing requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

All numbers, including draw schedules and a final Form 10 must be completed no later than 48 hours prior to closing. In the event the numbers, draw schedule, bi-furcation amount or any other numbers change within 48 hours of the scheduled closing, then the closing will be rescheduled.

IV. CLOSING REQUIREMENTS (All items due two weeks before closing is anticipated, unless otherwise noted.)

SPONSOR:

- _____ Satisfaction of Agency Board Commitment Closing Conditions, if any
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Guaranty for loan repayment during construction period, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ For Scattered Site projects only: Guaranty for loan repayment for Scattered Site Projects, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Certificate of Formation for LIHTC equity investor member entity
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Certificate of Good Standing from state of formation **for LIHTC investor** member, Current within six (6) months of estimated closing date
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Final Executed Operations Agreement with all Exhibits attached for Sponsoring Entity and General Partner(s) or Managing Member(s) (As Applicable)
_____ Partnership Agreement (LP) with HMFA Statement
_____ Operating Agreement (LLC) with HMFA Statement
_____ By Laws (Corporation) with HMFA Statement (*HMFA Statement required for sponsoring entity only*)
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Owner's / Developer's Commercial General Liability Insurance
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Insurance Policy (naming NJHMFA as First Mortgagee, Lender Loss Payable and Additional Insured) – original policy with paid receipt evidencing payment of all premiums for first year in advance; must meet NJHMFA insurance specifications.
PLEASE NOTE: The Agency's Insurance Division requires a full 30 days to review insurance submissions. Please keep this in mind when anticipating a closing date. (Note that an insurance certificate is not sufficient to meet this requirement. If a full insurance policy is temporarily unavailable, closing may occur if a letter is submitted from the insurance provider (not the broker) confirming that the insurance agent has the authority to bind the provider insuring the project under the Cert. of Insurance.)
A.M. Best Rating for Surety Provider: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Development Cost or Tax Credit Audit, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
Required 6 weeks prior to anticipated closing date.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Filed Notice of Settlement (copy of filed Notice; Notice valid for 45 days)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Deed Evidencing Title in Sponsor's name, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Seller's Affidavit of Title and Corporate Resolution to sign Loan Documents, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Mortgagor's Affidavit of Title*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Resolution to Borrow*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Counsel Opinion from Sponsor's Attorney* **for permanent loan closing**
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Payoff Letter for any Mortgages or other liens to be discharged along with wiring instructions for payoff

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Closing Bills: invoices for payment; paid invoices and cancelled checks (for reimbursement)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ New Jersey Division of Taxation Tax Clearance Certificate

(As of January 28, 2008, all entities receiving financing from a state agency must submit an application for tax clearance with the Division of Taxation. Project sponsors should obtain the application form from the HMFA paralegal assigned to their project and submit the application to the Division of Taxation no more than 90 days prior to anticipated closing. The Division of Taxation will issue a Certificate of Approval directly to HMFA, which will be valid for a period of 90 days. After 90 days, an updated application must be submitted. Please note as of March 1, 2009, a fee of \$75.00 must be paid to the Division of Taxation for the processing of all applications. The \$75.00 will cover updates provided they are requested within one year of the payment of the fee Applications requiring expedited processing will pay a fee to Taxation of \$200.00)

Date of Clearance: _____ *(Valid for 90 days)*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ W-9 Escrow Account forms* for Borrower/Buyer for each vendor

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Housing Resource Center ("HRC") registration of project – For Multifamily Residential Rental Projects *(Not required for Special Needs projects, unless required by another Agency funding source.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

____ Final As-Built Contract Drawings and Specifications including As-Built Drawings

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of completion of Environmental Remediation Plans, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Certificate of Substantial Completion with punchlist, *if applicable*.

DATE OF SUBSTANTIAL COMPLETION: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Letter certifying all warranties and maintenance manuals were delivered to Project Sponsor

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Street Vacation Ordinances (Resolution with Proof of Publication), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final As-Built Survey (2 sealed originals, certified to Sponsor, NJHMFA and Title Company) showing As-Built condition of property

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber will be Used (for New Construction)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final Release and Waiver of Liens and Affidavit of General Contractor*, including Schedule "A" – Verified List of Subcontractors

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Releases* from all Subcontractors (all subcontracts valued at \$10,000 and/or above)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Occupancy covering all units, as applicable

DATE OF CERTIFICATE OF OCCUPANCY: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Obligee* (Required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. **BOND IS TO STATE THE NAME OF THE PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE.***

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

MANAGING AGENT DOCUMENTS: These items are due to the Agency at least thirty (30) days prior to any anticipated closing.

____ Management Agreement Package* (as applicable)
(forms available on NJHMFA website: www.state.nj.us/dca/hmfa)

____ Self-Managed (NJHMFA form MD 103.2)

____ Broker Managed (NJHMFA form MD 103.1)

For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA:

____ Closing Proforma (Agency Form 10)*
____ Final Sources and Uses Acknowledgement
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Closing Statement and Check Register
(Date Received _____) (Date Approved _____)

STATUS: _____

____ NJHMFA Determination as to Project Cost and Completion*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Loan Documents*, if applicable, for Permanent loan closing, if Agency or Agency administered construction financing has already closed. *(For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

____ Financing, Deed Restriction and Regulatory Agreement

____ Mortgage Note

____ Mortgage & Security Agreement

____ Assignment of Leases

____ UCC-1 Financing Statement

____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

____ Disbursement Agreement, if applicable

____ Escrow Closing Agreement, if applicable

____ Tax Credit Deed of Easement and Restrictive Covenant, if applicable

____ Errors and Omissions Statement

Other: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Tax Credits:
____ Written confirmation that all requirements for Tax Credits have been received.
This includes payment of all required fees.
(Date Received _____) (Date Approved _____)
STATUS: _____

V. POST CLOSING

____ Title Policy
For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Recorded
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Sponsor and NJHMFA Agreement as to Equity Base, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

ENERGY STAR:

____ Copy of rebate check issued for Energy Star Certification
(Date Received _____) (Date Approved _____)
STATUS: _____

____ HERS Rater Contract (Tax Credits or FRM Financing)
(Date Received _____) (Date Approved _____)
STATUS: _____

TAX CREDITS GREEN POINT:

____ Copy of LEED Certificate
(Date Received _____) (Date Approved _____)
STATUS: _____

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the

NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

**Technical Services Requirements for
Monitoring Project Construction**

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract (general, supplementary, and other conditions), plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the

application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with "clouded" areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

*A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. **Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.***

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for clarification by the contractor to the professional or owner, delays, payments, and so on. Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

AIA Document G711 is designed to document the design professional's compliance with the duty of periodic job site inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.

**NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY
CONSTRUCTION ONLY FINANCING and
CONSTRUCTION AND PERMANENT FINANCING
DOCUMENT CHECKLIST**

*The Agency intends to provide financing for this project through the sale of taxable, tax-exempt bonds or any other funds available to the Agency. The requirements listed in Section I of this checklist must be satisfied prior to **Declaration of Intent**. The requirements listed in Section II of this checklist must be satisfied prior to a **Mortgage Commitment**. And the requirements in Section III of this checklist must be satisfied prior to the inclusion in a bond issue.*

**** If this project intends to receive financing for this project through additional Agency or Agency administered programs, additional requirements are noted on the attached list of program requirements that is hereby made a part of the Project Document Checklist. Additional requirements specific to the project may also be attached.**

Closing Targeting Schedule**

Targeted Closing Date:	
DOI Board Meeting Date	
Commitment Board Meeting Date	
Bond Documents Board Meeting Date	

Please keep in mind that this is a targeted schedule that is meant to assist you in reaching your closing goal. These dates are subject to change.

**Other Agency Financing:	1.	Date Closed:
	2.	Date Closed:
	3.	Date Closed:

DATE LAST UPDATED:

PROJECT NAME:

HMFA PROJECT NUMBER:

Project Address:

Block:

Lot:

of Units:

of Beds (SN):

Type of Tax Credits:

Set Aside:

Const. Period:

Population:

This memorandum contains advisory, consultative and deliberative material and is intended only for the person(s) named as recipient(s).

Revised March 5, 2015 (AEB)

COMMITMENT EXPIRATION DATE:

PARALEGAL:

Phone #: Fax #: e-mail:

DAG:

Phone #: Fax #: e-mail:

MULTIFAMILY CREDIT OFFICER:

Phone #: Fax #: e-mail:

SPECIAL NEEDS DEVELOPMENT OFFICER:

Phone #: Fax #: e-mail:

GREEN OFFICE CONTACT:

Phone #: Fax #: e-mail:

SPONSORING ENTITY/BORROWER:

Contact Person:

Address:

City, State, Zip:

Phone#: Fax #: e-mail:

CONSULTANT (If applicable):

Address:

City, State, Zip:

Phone #: Fax #: e-mail:

OWNER: (If different than borrowing entity) (SELLER)

Contact Person:

Address:

City, State, Zip:

Phone#: Fax #: e-mail:

GENERAL PARTNER:

LIMITED PARTNER:

BORROWER'S ATTORNEY:

Address:

City, State, Zip:

Phone#: Fax #: e-mail:

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Revised March 5, 2015 (AEB)

ARCHITECT:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

GENERAL CONTRACTOR:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

MANAGING AGENT:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

SOCIAL SERVICE PROVIDER (if Special Needs project)

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

ACCOUNTANT:

Address:

City, State, Zip:

Phone #:

Fax#: e-mail:

OTHER:

Address:

City, State, Zip:

Phone #:

Fax #:

e-mail:

PLEASE NOTE: Documents consisting of more than ten (10) pages will not be accepted in PDF format by electronic transmittal. Please send hard copies of documents consisting of more than ten (10) pages.

Code to Document Requirements:

A - Document Received and Approved

NA - Not Applicable

R - Document Received and either (1) Under review or (2) Requires modification or update as indicated

** - An asterisk indicates that a New Jersey Housing and Mortgage Financing Agency form document must be used. Many forms are available on the NJHMFA website: www.state.nj.us/dca/hmfa.*

Date - List date document was received. Once document is approved, replace this date with the date in which the document was approved.

Status - If document was not yet received, give a status of why document was not yet submitted. If document was received ("R"), then give the status of the approval process.

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All items are required to be submitted by the sponsoring team unless otherwise noted.

I. REQUIREMENTS FOR DECLARATION OF INTENT

SPONSOR:

____ UNIAP Application* *(For Special Needs projects, the population to served plus the service provider must be clearly identified in the application.)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Project Narrative, including Overview of Scope of Work. *(For any additional Agency financing programs, refer to program specific checklist for additional Project Narrative requirements.)*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Preliminary Proforma/Cash Flow (Agency Form 10)*
(Date Received _____) (Date Approved _____)

STATUS: _____

____ General Site Location Map & Directions
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resume for Sponsor
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Site Control
____ Deed
____ Option Agreement
____ Contract of Sale
____ Redevelopment Agreement
____ Ground Lease or Option to Enter into Ground Lease (keep in mind it is not the same as the Option Agreement listed above)
____ Condominium Requirements, if applicable:
____ Condominium Association By-laws
____ Master Deed
____ Certificate of Formation for Condominium Association
____ Other

(Date Received _____) (Date Approved _____)

STATUS: _____

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____ Resolution of Need from Municipality* (may be included in municipal resolution granting payments in lieu of taxes) (*Not applicable for projects with an existing Agency mortgage loan being refinanced under the Preservation Loan program. Resolution IS required for all other Preservation Loan projects not currently in the Agency's portfolio. Not required for Special Needs projects, unless required by another Agency funding source.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

____ Preliminary Drawings, (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Site Inspection Report

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Board Resolution for Declaration of Intent

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Declaration of Intent Letter

(Date Received _____) (Date Approved _____)

STATUS: _____

II. REQUIREMENTS FOR MORTGAGE COMMITMENT

PLEASE NOTE: THE TECHNICAL SERVICES (GREEN HIGHLIGHTS) & INSURANCE DIVISIONS (BLUE HIGHLIGHTS) WILL NOT BEGIN REVIEW UNTIL ALL DOCUMENTS NOTED WITH SPECIFIED COLOR HIGHLIGHTS HAVE BEEN SUBMITTED IN COMPLETED FORM. IN THE CASE WHERE BOTH TECHNICAL SERVICES & INSURANCE DIVISIONS REQUIRE SAME, THEY WILL BE NOTED IN YELLOW HIGHLIGHTS.

SPONSOR:

____ Formation Certificate for Sponsor/Borrower and Managing Entity, as applicable
(Advise NJHMFA prior to formation if contemplating an Urban Renewal entity N.J.S.A.
40A:20-1 et seq.)

____ Certificate of Limited Partnership

____ Certificate of Formation (Limited Liability Company)

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___ Certificate of Incorporation (required for a corporate sponsor and for any corporate general partner or managing member and for any corporate limited partner assigning syndication proceeds)

___ Certificate of Formation for Managing Member, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

___ Corporate Certification and Questionnaire*, as applicable

___ Sponsoring Entity/Borrower

___ General Partner (Limited Partnership)

___ Managing Member (Limited Liability Company)

___ Other entity owning 10% or greater interest in sponsoring entity

___ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Personal Questionnaire for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, or in the General Partner or Managing Member entity* *(For non-profit entities controlled by a Board of Directors, Personal Questionnaires should be provided for any officer of the Board.)*

___ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Criminal Background Check for Directors and Officers of Sponsoring Entity/Borrower, Individuals Serving as General Partner or Managing Member, and any individual owning 10% or greater interest in sponsoring entity, and General Partner or Managing Member entity* *(Any individual submitting a Personal Questionnaire must submit a Criminal Background Check. For non-profit entities controlled by a Board of Directors, Criminal Background checks should be provided for any officer of the Board.)*

(Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Environmental Preliminary Assessment Report (pursuant to N.J.A.C. 7:26E-3.2) (Phase I)

In addition, the following are required for Existing Structures:

___ Lead Based Paint Report/Removal plan

___ Asbestos Containing Materials Report/Remediation plan

___ Radon testing/Remediation plan

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Environmental Report (pursuant to N.J.A.C. 7:26E-3.3), (if applicable) (Phase II)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Resolution Granting Preliminary AND/OR Final Site Plan Approval, Subdivision and Any Zoning Variances from Municipality and County, if applicable. *For Special Needs projects, refer to Special Needs Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Street Vacation Ordinances (Resolution with Proof of Publication), (if applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Municipal Resolution Granting Payments in Lieu of Taxes*, (if applicable) (*For Preservation Loan projects, refer to the Preservation Program document checklist requirements.*)

____ Agency statute is N.J.S.A. 55:14K-37.

____ The Long Term Tax Abatement falls under N.J.S.A. 40A:20-1 *et seq.*

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Financing Commitments from Other Funding Sources (*List All*)

____ Equity Commitment

____ DCA Balanced Housing Funds: *Please contact Natasha Encarnacion, Housing Affordability Service ("HAS") Business Development Coordinator at NJHMF (609) 278-8834 for preparation of Developer's Rental Agreement, if applicable.*

____ Other:

____ Other:

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of Application for Rental Assistance, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Affirmative Fair Housing Marketing Plan* (*Not required for Special Needs projects, unless required by another Agency financing source.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Housing Resource Center ("HRC") registration of project entity (*Not required for Special Needs projects, unless required by another Agency financing source.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an analysis conducted by the applicant's accountant of anticipated project cash flow and residual value demonstrating a reasonable prospect of repayment of all loans. This analysis shall incorporate the same assumptions utilized in the cash flow proforma submitted in the application, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Tax Credit Projects: For only those projects receiving both special needs financing and tax credits, an opinion of tax counsel in support of the dollar amount of the eligible basis for the project set forth in the application. Attached to this opinion, and incorporated therein, shall be the accountant's analysis referenced above, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

ENERGY STAR:

_____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMPA or will start construction prior to closing on construction. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

TAX CREDITS GREEN POINT:

_____ Pre-Construction Authorization Letter

Note: This documentation must be collected prior to commitment for projects that are not receiving construction financing from NJHMPA or will start construction prior to closing on construction funding. Please contact the Green Homes Office for clarification.

(Date Received _____) (Date Approved _____)

STATUS: _____

CONSTRUCTION DOCUMENTS:

_____ Detailed Scope of Work (Note: Any changes made to the scope of work must be approved by NJHMFA) *For Preservation Loan projects, refer to the Preservation Program document checklist requirements.*

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Detailed Trade Payment Breakdown on AIA Form 703 (Schedule of Values) signed by General Contractor and based on the Final Contract Drawings (NOTE: Any changes to the Trade Payment Breakdown must be approved by NJHMFA.)

(Date Received _____) (Date Approved _____)

STATUS: _____

Architect/Engineer Documents:

_____ Architect's Contract* (Alternatively, if use of an AIA form permitted, Agency Addendum to contract is required*)

_____ *For Bond or General Fund financing: Multifamily 5-25 or less bonded projects:*

Agency Form of Construction Contract. CDBG addendum must be submitted.

_____ *For FRM Only, Special Needs Only, Preservation, Multifamily 5-25 units or less, non-bonded projects:*

AIA Form of Construction Contract. Agency and CDBG Addendum must be submitted.

(Date Received _____) (Date Approved _____)

STATUS: _____

_____ Construction Documents and Project Manual (in CSI format) must be submitted and shall consist of Final (100%) Contract Documents showing all required construction details, cross-sections, and other information necessary to constitute a construction-ready set of project construction documents consistent with the construction contract and with all sheets bearing the same date. The drawing set must include, as a minimum:

- Approved Final Site Plans and Final Subdivision Plans (if applicable);
- Civil Engineering Drawings;
- Architectural Drawings;
- Mechanical/Electrical/Plumbing (MEP) Drawings;
- Structural Drawings;
- Fire Alarm/Suppression Drawings;
- All required construction details; and
- A detailed project cost estimate by trade.

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Prior to submittal of the final drawings, it is encouraged, but not required, to schedule a meeting with Technical Services' staff to review the information to be submitted in order to ensure that the documents will contain all the information required for approval.

Accompanying the construction drawings outlined above, one full-size paper set and one half size paper set, and electronic copies of the drawings on CD, there is to be a separate certification on Architect's letterhead bearing signature and seal stating:

This will certify that the accompanying drawings entitled PROJECT NAME, dated DATE OF LATEST REVISION, consisting of the documents set forth below, have been reviewed by this office and are complete, code compliant, consistent across the disciplines, and issued for construction.

____ Drawing List

List of submitted drawings, manuals, etc.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Errors and Omission Policy/Certificate of Insurance (naming NJHMFPA as Certificate Holder)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Geotechnical Engineering Report (Soils Test), if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Survey (2 Sealed Originals Certified to Sponsor, NJHMFPA and Title Company)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certified Land Description

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Certification and Questionnaire for Architect of Record *

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire for Architectural Firm*
____ Updating Affidavit for Questionnaire, if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Architect of Record*
(Search results are valid for 18 months from date received.)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Confirmation of Availability of Utility Services (electric, gas, water, sewer) (Letters should be within at least 6 months of anticipated Agency commitment, if applicable)

____ Letter from Utility Companies
____ Letter from Utility Company confirming that individual metering systems will be installed within a meter room in the building, if applicable to the project type
____ NJ DEP Treatment Works Approval (Sewer), if applicable
____ Wetlands Approval, if applicable
____ CAFRA Approval, if applicable
____ Pinelands
____ Resolution from Municipal/County Authority, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Executed Construction Contract*
(Note: Federal (Davis Bacon) prevailing wages must be paid for those projects receiving CDBG funds. Evidence of payment of Davis-Bacon wages must be included in the construction contract.)

____ For Agency Bond or General Fund Financing projects
____ Agency Form of Construction Contract

____ For Special Needs Only & Preservation, Multifamily 5-25 units or less non bonded project
____ AIA Form of Construction Contract. Agency Addendum must be submitted.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Evidence of ability to obtain 100% Payment & Performance Bond naming Sponsor and NJHMFA as Obligees (Will be required for Agency Construction Financing, for Agency Permanent Financing. Sponsor has the option of providing a 10% Letter of Credit or 50% Warranty Bond in lieu of Payment and Performance Bond.) Note this guarantee will be required to exist for a period of two years post construction completion as determined by the

Certificate of Occupancy, date of Architect's Certificate of Substantial Completion, whichever is later. For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Corporate Certification and Questionnaire for Contractor*

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Personal Certification and Questionnaire for Officers, Directors of Contractor and Individuals with Management Control, and individuals owning 10% or greater interest in contracting entity*

____ Updating Affidavit for Questionnaire, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Criminal Background Check for Contractor's Officers, Directors and Individuals with Management Control, and individuals owning 10% or greater in contracting entity*
(Search results are valid for 18 months from date received.)

(Date Received _____) (Date Approved _____)

STATUS: _____

INSURANCE:

____ Contractor's Liability Insurance Certificate (naming Sponsor and NJHMFA as Additional Insured)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Certificate of Formation

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Appraisal/Market Study

(Date Received _____) (Date Approved _____)

STATUS: _____

- ____ Updated Appraisal/Market Study, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Board Resolution with Bond Documents, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Board Resolution Authorizing Mortgage Commitment and Commitment Proforma/Cash Flow (Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Commitment Letter and Indemnification Deposit (Commitment Letter to be executed by Sponsor and returned with Deposit within 10 days of mortgage commitment)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Board Resolution Authorizing Mortgage Re-Commitment and Re-Commitment Proforma/Cash Flow (Agency Form 10)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Re-Commitment Letter and Re-Commitment Fee (Re-Commitment Letter to be executed by Sponsor and returned with Fee within 10 days of mortgage re-commitment)*, (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____

III. ADDITIONAL REQUIREMENTS FOR INCLUSION IN A BOND SALE

NOTE: If the project will not receive bond funds, the following items will be required for closing in addition to the items noted in Section IV of this checklist.

SPONSOR:

- ____ Current Operations Agreement for, as applicable:
 ____ Sponsoring Entity (By-laws: Corporation; Partnership Agreement: Limited Partnership; Operating Agreement: Limited Liability Company. Must contain NJHMFA Statement – see end of checklist for language)
 ____ General Partner or Managing Member of Sponsoring Entity
 (Date Received _____) (Date Approved _____)
STATUS: _____

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- _____ DRAFT Operating Agreement with all Exhibits attached for Sponsoring Entity as it will exist once Limited Partner investor/Investor Member is included.
_____ Also need for General Partner/Managing Member if not same as original sponsoring entity.
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Certificate of Good Standing, from State of Formation, for Sponsoring Entity and All General Partner(s) or Managing Member(s) and for Limited Partner(s) Assigning Syndication Proceeds (Note: Update may be required for closing depending on timing.), Current within six (6) months of estimated **bond sale and/or closing**
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ New Jersey Secretary of State Authorization to do Business in New Jersey for any Out-of-State Sponsoring Entity
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ TEFRA Certification (TEFRA Sheet) (tax-exempt projects only)*
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Evidence of Availability of Tax Credits
_____ 42M Letter (for projects using tax-exempt financing) OR
_____ Reservation Letter (for projects awarded competitive tax credits)
_____ Carryover Allocation or Binding Forward Commitment or 8609
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Sales Tax Exemption Certificate* (state forms), (If applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Evidence of Perfection of Subdivision (recorded subdivision deeds or filed subdivision map), if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____
- _____ Title Insurance Commitment and Title Related Requirements (updates required for closing)
Commitments needed for each Agency or Agency administered loan closing. For Special Needs project receiving Grant financing or HUD 811 funds, see Special Needs Document Checklist for title requirements.

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Construction Only Financing and Construction and Permanent Financing

NOTE: Affirmative insurance required for any exceptions in commitment that will remain at the time of closing.

- ___ Tax Search
- ___ Assessment Search
- ___ Municipal Water/Sewer Utility Search
- ___ Evidence of payment of taxes, if applicable
- ___ Evidence of payment of utilities, if applicable
- ___ Judgment Search
- ___ Sponsoring Entity
- ___ General Partner(s)/Managing member(s)
- ___ Corporate Status and Franchise Tax Search, if applicable
- ___ Tidelands and Wetlands Search
- ___ Flood Hazard Area Certification
- ___ Closing Protection Letter for Title Officer Attending Closing
- ___ Survey Endorsement insuring final survey without exceptions
- ___ Title Rundown Confirmation (in writing)
- ___ Copies of All Instruments of Record
- ___ First Lien Endorsement, (and/or Second Lien, etc.,) if applicable
- ___ Environmental 8.1 Endorsement
- ___ Evidence of payment of current condominium fees/assessments, if applicable
- ___ Arbitration Endorsement

Additional Endorsements as may be required depending on project type :

- ___ ALTA 13.1 - Leasehold endorsement, if applicable
- ___ ALTA 9 – Restrictions, Encroachments, Minerals, if applicable
- ___ ALTA 18 Multiple Parcels Endorsement (if scattered site project)

___ ALTA 5.1 – Planned Unit Development, if applicable

___ Condominium Endorsement, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Construction Draw Schedule with Order of Draw*

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Cash or Letter of Credit for Negative Arbitrage and/or Cost of Issuance **(at time of Bond Sale Only)**

(Date Received _____) (Date Approved _____)

STATUS: _____

___ Owners Tax Certificate (original to go to Bond Counsel, copy to the Agency)

Confirmation of bond counsel approval required.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Attorney Opinion Letter (for bond sale, **for rate lock if rate lock occurs outside of bond sale**; additional opinion required for loan closing)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final Site Plan Approval, (if applicable)
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Agreement for Payment in Lieu of Taxes*, (if applicable) (*For Preservation Loan projects, refer to the Preservation Program document checklist requirements.*)

(Date Received _____) (Date Approved _____)

STATUS: _____

Contractor Documents:

____ Certificate of Good Standing from State of Formation (current within six (6) months of anticipated **bond sale**)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ New Jersey Secretary of State Authorization to do Business in New Jersey for Out-of-State Contractor, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Construction Contract with current prevailing wages attached* if not previously provided or if changed from first contract submitted

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Building Permits (or letter that building permits will be issued but for payment of fee)

(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA (All documents in this section will be prepared by NJHMFA):

____ Bond Letter with Bond Proforma/Cash Flow (Agency Form 10)* (**at time of Bond Sale Only**)

(Date Received _____) (Date Approved _____)

STATUS: _____

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____ Construction and Permanent Financing Agreement*
(Date Received _____) (Date Approved _____)
____ Rate Lock Addendum, if applicable
STATUS: _____

____ Satisfaction of Agency Board Commitment Requirements, if any, unless specifically noted as
loan closing requirements.
(Date Received _____) (Date Approved _____)
STATUS: _____

All numbers, including draw schedules and a final Form 10 must be completed no later than 48 hours prior to closing. In the event the numbers, draw schedule, bi-furcation amount or any other numbers change within 48 hours of the scheduled closing, then the closing will be rescheduled.

IV. CLOSING REQUIREMENTS (All items are due at least two weeks before anticipated closing date.)

SPONSOR:

____ Satisfaction of Agency Board Commitment Closing Requirements, if any.
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Guaranty for loan repayment during construction period, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ For Scattered Site projects only: Guaranty for loan repayment for Scattered Site projects, if
applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Final Executed Operations Agreement with all Exhibits attached for Sponsoring entity and
General Partner(s) or Managing Member(s) (as applicable) (Final needed at Closing)
____ Partnership Agreement (LP) with HMFA Statement
____ Operating Agreement (LLC) with HMFA Statement
____ By Laws (Corporation) with HMFA Statement (*HMFA Statement required for
sponsoring entity only*)
(Date Received _____) (Date Approved _____)
STATUS: _____

- ____ Sponsor Resolution to Open Construction Bank Account, if applicable
(NOTE: Only required for HMFA construction financing; not required for Home Express construction financing.)
____ Bank Account Signature Cards, if required by bank where account is held
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Checks and Wiring Instructions for Construction Bank Account (to include signature line for NJHMFA), (If applicable) (NOTE: Only required for HMFA construction financing; not required for Home Express construction financing.)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Copies of Loan Documents from other funding sources, (If applicable)
____ DCA Balanced Housing Developer's Rental Agreement executed by Sponsor, NJHMFA Executive Director, and HAS Business Development Coordinator.
Please contact Natasha Encarnacion, Housing Affordability Service ("HAS") Business Development Coordinator at NJHMFA (609) 278-8834 for preparation of Developer's Rental Agreement, if applicable.
____ Other:
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Written confirmation from investor that investment/syndication closing conditions have been fully satisfied and investor is prepared to proceed to closing, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Owner's / Developer's Commercial General Liability Insurance
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Builder's Risk Insurance Certificate (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee) meeting Agency Builder's Risk Insurance Specifications
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Flood Insurance Certificate and Policy, if applicable (naming NJHMFA as First Mortgagee, Additional Insured and Loss Payee)
(Date Received _____) (Date Approved _____)
STATUS: _____

- ____ Filed Notice of Settlement (*Valid for 45 days prior to closing*)
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Deed Evidencing Title in Sponsor's Name (if applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Seller's Affidavit of Title and Corporate Resolution to Sell (if applicable)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Mortgagor's and/or Grantee's Affidavit of Title*
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Resolution to Borrow*/Resolution to Accept Grant Funds*, as applicable
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Counsel Opinion from Sponsor, Attorney* **for loan closing. This opinion is required in addition to the opinion required for bond sale inclusion.**
____ For Agency or Agency administered construction financing, if applicable
____ For Agency or Agency administered permanent financing, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Payoff Letter for Any Mortgages or Other Liens to be Discharged
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ CPA Engagement Agreement*, (If applicable. This requirement is not applicable for project receiving only Special Needs financing.)
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Closing Bills: invoices for payment; paid invoices and cancelled checks for reimbursement
(Date Received _____) (Date Approved _____)
STATUS: _____

____ W-9 Escrow Account forms* for Borrower/Buyer for each vendor
(Date Received _____) (Date Approved _____)
STATUS: _____

____ New Jersey Division of Taxation Tax Clearance Certificate (for ownership/borrowing entity)
(As of January 28, 2008, all entities receiving financing from a state agency must submit an application for tax clearance with the Division of Taxation. Project sponsors should obtain the application form from the HMFA paralegal assigned to their project and submit the application to the Division of Taxation no more than 90 days prior to anticipated closing. The Division of Taxation will issue a Certificate of Approval directly to HMFA, which will be valid for a period of 180 days. After 180 days, an updated application must be submitted. Please note as of March 1, 2009, a fee of \$75.00 must be paid to the Division of Taxation for the processing of all applications. The \$75.00 will cover updates provided they are requested within one year of the payment of the fee. Applications requiring expedited processing will pay a fee to Taxation of \$200.00)
(Date Received _____) (Date Approved _____)
Date of Clearance: _____ *(Valid for 180 days)*
STATUS _____

____ Housing Resource Center ("HRC") registration of project. For Multifamily residential rental projects *(Not required for Special Needs projects, unless required by another Agency funding source.)*
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Executed Rental Assistance Agreements, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

Architect/Engineer Documents:

____ Final Contract Drawings and Specifications, if updated since previously provided
(Date Received _____) (Date Approved _____)
STATUS: _____

____ Evidence of completion of Environmental Remediation Plans, if applicable
(Date Received _____) (Date Approved _____)
STATUS: _____

Contractor Documents:

____ Termite Certification (for rehab) or Certification from Contractor that Treated Lumber will be Used (for New Construction), if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ 100% Payment and Performance Bond naming Sponsor and NJHMFA as Obligee*
(Required for Agency Construction Financing. For Agency Permanent Financing, Sponsor has the option of providing a 10% Letter of Credit or 30% Warranty Bond in lieu of Payment and Performance Bond) *Note this guarantee will be required to exist for a period of two years post construction completion as determined by the Certificate of Occupancy date or Architect's Certificate of Substantial Completion, whichever is later. **BOND IS TO BE ON AGENCY FORM AND MUST LIST THE NAME OF THE PROJECT, HMFA #, STREET ADDRESS AND LOT/BLOCK DESIGNATION ON FIRST PAGE.***
For Special Needs projects, refer to Special Needs Program document checklist requirements.

(Date Received _____) (Date Approved _____)

STATUS: _____

A.M. Best Rating for Surety Provider: _____

NJHMFA:

____ Closing Proforma/Cash Flow (Agency Form 10)* **Please note that a closing date will not be scheduled until a Closing Proforma has been finalized with the Agency.**

____ Final Source & Uses Acknowledgement

____ For Agency or Agency administered construction financing, if applicable.

____ For Agency or Agency administered permanent financing, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Closing Statement

____ For Agency or Agency administered construction financing, if applicable.

____ For Agency or Agency administered permanent financing, if applicable.

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Receipt of Other Funding Sources, if applicable

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Loan Documents* *For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

____ Financing, Deed Restriction and Regulatory Agreement

This memorandum contains advisory, consultative and deliberative material and is intended only for the person(s) named as recipient(s).

Revised March 5, 2015 (AEB)

___ Mortgage Note
___ Mortgage & Security Agreement
___ Assignment of Leases
___ UCC-1 Financing Statements
___ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable
___ Disbursement Agreement, if applicable
___ Escrow Closing Agreement, if applicable
___ Other: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Tax Credits, if applicable:
Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees.
(Date Received _____) (Date Approved _____)
STATUS: _____

V. POST-CLOSING (for Construction Only Financing) or PERMANENT LOAN CLOSING REQUIREMENTS (for Conversion from Construction to Permanent Financing, or permanent loan closing from an Agency or Agency-administered source taking out an Agency or Agency-administered construction source)

___ Updates to any date sensitive documentation, including:
___ Tax Clearance Certificate
___ Criminal Background Checks
___ Certificate of Good Standing for all entities, as required
___ Other: _____
(Date Received _____) (Date Approved _____)
STATUS: _____

___ Tax Credits, if applicable:
Written confirmation that all requirements for Tax Credits have been received. This includes payment of all required fees, if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____

MANAGEMENT AGENT:

___ Management Agreement Package* (*in triplicate*) Forms available on NJHMFA website:
<http://www.state.nj.us/dca/hmfa>
___ Self-Managed (NJHMFA form MD 103.2)

____ Broker Managed (NJHMFA form MD 103.1)

For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.

(Date Received _____) (Date Approved _____)

STATUS: _____

SPONSOR:

____ Certificate of Occupancy covering all units, *if applicable*

DATE OF CERTIFICATE OF OCCUPANCY: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ DCA Owner's (Building) Registration, if applicable (if not provided in Property Management's Management Agreement Package, or for existing building)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final As-Built Survey (2 sealed originals certified to Sponsor, HMFA and Title Insurance Company showing as-built condition of property including location of all buildings), (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Final As-Built Drawings & Specifications, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Certificate stating that all warranties and maintenance manuals have been delivered to and received by the Sponsor, (If applicable)

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Architect's Certificate of Substantial Completion (AIA form), *If applicable.*

DATE OF SUBSTANTIAL COMPLETION: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title Policy (Post Closing)

For Special Needs projects receiving a Grant, a copy of the loan policy issued to HUD or other first mortgage lender is acceptable.

(Date Received _____) (Date Approved _____)

STATUS: _____

- ____ Recorded Documents (Post Closing)
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Insurance Policy covering Project naming HMFA as: a) First Mortgagee, b) Loss Payee and c) additional Insured; must meet Agency insurance specifications; original policy with paid receipt required) **PLEASE NOTE: The Agency's Insurance Division requires a full 30 days to review insurance submissions. Please keep this in mind when anticipating a closing date. (Note that an insurance certificate is not sufficient to meet this requirement. If a full insurance policy is temporarily unavailable, closing may occur if a letter is submitted from the insurance provider (not the broker) confirming that the insurance agent has the authority to bind the provider insuring the project under the Cert. of Insurance, which must be accompanied by a copy of all applicable sample policies and endorsements.)**
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Final Release and Waiver of Liens and Affidavit of General Contractor, including Schedule "A" – Verified List of Subcontractors*
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Releases from all subcontractors* (for subcontracts valued at \$10,000 and/or above), if applicable.
(Date Received _____) (Date Approved _____)
STATUS: _____
- ____ Construction Cost Audit from Contractor, or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
(Date Received _____) (Date Approved _____)
STATUS: _____

ENERGY STAR:

- ____ Post-Construction Authorization Letter
(Date Received _____) (Date Approved _____)
STATUS: _____
Note: This documentation must be collected prior to closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.
- ____ HERS Rater Contract (Tax Credits or FRM Financing)
(Date Received _____) (Date Approved _____)
STATUS: _____

TAX CREDITS GREEN POINT

____ Post-Construction Authorization Letter
(Date Received _____) (Date Approved _____)

STATUS: _____

Note: This documentation must be collected prior closing on permanent financing or at post-closing for projects with construction-to-permanent financing. Please contact the Green Homes Office for clarification.

____ Loan Documents*, if applicable, for Permanent loan closing, if Agency or Agency administered construction financing has already closed. *(For any additional Agency financing programs, refer to program specific checklist for additional loan documents required.*

____ Financing, Deed Restriction and Regulatory Agreement

____ Mortgage Note

____ Mortgage & Security Agreement

____ Assignment of Leases

____ UCC-1 Financing Statement

____ Assignment of Syndication Proceeds signed by Investor and Sponsor, if applicable

____ Disbursement Agreement, if applicable

____ Escrow Closing Agreement, if applicable

____ Tax Credit Deed of Easement and Restrictive Covenant, if applicable

____ Errors and Omissions Statement

____ Other: _____

(Date Received _____) (Date Approved _____)

STATUS: _____

VI. FINAL MORTGAGE CLOSEOUT

SPONSOR:

____ Consent of Surety to final payment to Contractor (AIA form), if applicable
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Title rundown through date of final disbursement
(Date Received _____) (Date Approved _____)

STATUS: _____

____ Sponsor's Development Cost Audit (or audit document as otherwise approved by the Agency (may apply to Special Needs Projects)
(Date Received _____) (Date Approved _____)

STATUS: _____

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Revised March 5, 2015 (AEB)

NJHMFA:

____ Final Mortgage Closing Statement
(Date Received _____) (Date Approved _____)

STATUS: _____

NJHMFA Provisions to By-Laws of Corporation:

The Corporation acknowledges that any review of the provisions of these By-Laws by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Corporation is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Corporation acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Corporation and the Property securing the NJHMFA Mortgage Loan. The Corporation further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to these By-Laws; and the Corporation and the Shareholders shall not rely upon the NJHMFA review of these By-Laws.

HMFA Provisions to Partnership Agreements:

The Partnership acknowledges that any review of the provisions of this Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Partnership is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Partnership acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Partnership and the Property securing the NJHMFA Mortgage Loan. The Partnership further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Agreement; and the Partnership and the Partners shall not rely upon the NJHMFA review of this Agreement.

NJHMFA Provisions to Operating Agreement of Limited Liability Company (L.L.C.):

The Company acknowledges that any review of the provisions of this Operating Agreement by the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") is performed in accordance with its responsibility as Lender and is intended only to assure that the Company is validly formed according to law, with the legal authority to borrow the funds which will constitute the NJHMFA Mortgage Loan and to operate the Property securing the NJHMFA Mortgage Loan. Notwithstanding any other provisions herein, the Company acknowledges and agrees that as a condition of obtaining the NJHMFA Mortgage Loan, that the NJHMFA statutes, rules and regulations and all the financing documents in connection with the NJHMFA Mortgage Loan, are applicable to the Company and the Property securing the NJHMFA Mortgage Loan. The Company further acknowledges that, except as contained in this Section, the NJHMFA makes no representations express or implied, as to this Operating Agreement; and the Company and the Members shall not rely upon the NJHMFA review of this Operating Agreement.

Technical Services Requirements for Monitoring Project Construction

Whether the HMFA is making a permanent take-out loan or a construction and permanent loan, it requires that its Technical Services Division monitor the construction of the project. Listed below are the HMFA requirements please read carefully and be prepared to provide the necessary documentation and co-operation.

Contract Documents

Those documents that comprise a construction contract, the owner/developer-contractor agreement, conditions of the contract (general, supplementary, and other conditions), plans and specifications, all addenda, modifications, and changes thereto, together with any other items stipulated as being specifically included.

Architect's Contract

That document that outlines the performance of architectural services, including analysis of project requirements, creation and development of the project design, preparation of drawings, specifications, and bidding requirements and the general administration of the construction contract. As the owner/developer's representative, the design professional should participate in the process by observing and administering the contract for construction including job site inspection, attendance at job site meetings, the creation of meeting minutes, shop drawing review, change order review, punch list inspections and so on.

Summary Trade Payment Breakdown

This document divides the total cost of construction, as established by the construction contract, into various segments related to a specific trade. This "breaking down" of the total cost of construction is reflected on the application for payment and simplifies the determination of a percentage of work complete for the purpose of making payments to the contractor.

Detailed Trade Payment Breakdown

This document further divides and refines the Summary Breakdown above into its constituent parts. For example, the plumbing line on the summary breakdown would be further developed to show its component parts including potable and nonpotable water piping, sanitary piping, gas piping, toilet and bath fixtures, kitchen fixtures, and so on. This detailed information further enhances our ability to review project costs as well as to determine a percentage of work complete for the purpose of making payments to the contractor.

Shop Drawings

These documents can be drawings, diagrams, illustrations, schedules, performance charts, brochures, and other data prepared by the contractor or any subcontractor, manufacturer, supplier, or distributor, which illustrate specific portions of the work and how they will be fabricated and installed. The contract documents usually allow for a number of choices in many portions of the work. The shop drawings are the approved choice of the owner/developer and their professional and consultants and become the reference for Agency inspections during construction.

Payment Requisitions

The contractor prepares the application according to the approved Summary Trade Payment Breakdown or Schedule of Values. The contractor submits it to the design professional for approval. The design professional reviews the application in light of his/her own observations and records and certifies an amount that he/she feels is appropriate. If the HMFA is providing construction financing, then the application for payment is reviewed and approved by a Field Representative and the Director of Technical Services. Otherwise, the requisition is provided for information purposes only.

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Revised March 5, 2015 (AEB)

Change Orders

A written order to the contractor signed by the owner and the architect, issued after the execution of the contract, authorizing a change in the work and/or an adjustment in the contract sum. These changes may add to, subtract from, or vary the scope of the work. Change orders may also be used to adjust the contract time as originally defined by the contract documents. If the Agency is providing construction financing, then change orders are approved by a Field Representative and the Director of Technical Services. Otherwise, any change orders are provided for informational purposes only.

Drawing Revisions and/or Clarification Sketches

The design professional, as the author of documentation that delineates the final design of the project, is the appropriate administrator of decisions regarding their interpretation. Often, this interpretation and clarification is provided to the contractor in the form of revised drawings with "clouded" areas or by providing smaller sketches which clarify missing or confusing details. These documents enhance or build upon the contract documents and should be provided to the Agency for informational purposes and for use by field staff during project inspection.

Prevailing Wage Reports

If the HMFA is providing construction financing the contractor and its subcontractors are required to submit certified payroll reports to the Director of Technical Services. These reports will be compared to the prevailing wage within the contract documents. Otherwise, these documents are not required.

Administrative Questionnaires

If the HMFA is providing construction financing, the contractor and its subcontractors are required to complete and submit personal and corporate questionnaires. Otherwise, these documents are not required.

Subcontracts over \$25,000.

If the HMFA is providing construction financing, the contractor is required to submit fully executed subcontracts in excess of \$25,000. Those documents will be reviewed by the Director of Technical Services for compliance with the contract documents. Otherwise, these documents are not required.

Preconstruction Meeting

A meeting should be held prior to the notice to proceed being issued. These meetings provide an opportunity to clear up any unfulfilled requirements, define the role of the various members of the construction team, as well as simply providing everyone a chance to get acquainted. Many loose ends can be tied up in a timely manner at these meetings and they are highly recommended.

Notice to Proceed

This document is a written communication issued by the owner to the contractor authorizing him/her to proceed with the work. This notice establishes the date of commencement of the work and is directly related to the contractor's time of performance and the assessment of damages and/or delay claims, if applicable. The start date is necessary to create a production schedule and to monitor the contractor's performance and its compliance with the contract documents.

Construction Schedule

The construction schedule sets forth the contractor's estimate of the completion of the project. One of the functions of this document should be to indicate the approximate degree of completion that the owner and lender can expect at each application for payment. In those instances when the Agency is providing permanent financing, the schedule provides insight regarding date of closing, the need to recommit, or the date of occupancy.

Minutes of Meetings

A record of meetings between the parties to the contract is a very important resource. During job meetings discussions can cover a wide range of topics including quality and quantity of work performed to date, change orders, requests for

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Revised March 5, 2015 (AEB)

clarification by the contractor to the professional or owner, delays, payments, and so on. Technical Services routinely receives them for construction financed projects and should receive them on all of our permanent financed deals, as well.

Architect's Field Report

ALA Document G711 is designed to document the design professional's compliance with the duty of periodic job site inspections. [The Professional may choose to use his/her own form.] These inspections may identify problems with the work and certain corrective actions to be taken ultimately leading to the issuance of Supplemental Instructions.

Bank Inspector's Report

If a lender other than the Agency makes construction inspections, Technical Services would like to be provided copies of these reports for our review and possible comment.

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

I. APPLICANT AND PROJECT INFORMATION

1a. Applicant's Name, Address (including City, State and zip code) & phone number		1b. Project's Name, Location: (including City, State and zip code)	
1c. Project/Application Number	1d. Number of Units		1e. Price or Rental Range From \$ To \$
1f. For Multifamily Housing Only <input type="checkbox"/> Elderly <input type="checkbox"/> Non-Elderly <input type="checkbox"/> Special Needs		1g. Approximate Starting Dates: Advertising: Occupancy:	
1h. County:		1i. Census Tract:	
1j. Managing/Sales Agent's Name & Address: (including city, State and zip code)			

II. MARKETING

2a. Direction of Marketing Activity: (indicate which group(s) in the housing market area are least likely to apply for the housing because of its location and other factors without special outreach efforts) <div style="display: flex; flex-wrap: wrap;"> <div style="width: 20%;"><input type="checkbox"/> White (non-Hispanic)</div> <div style="width: 20%;"><input type="checkbox"/> Black (non-Hispanic)</div> <div style="width: 20%;"><input type="checkbox"/> Hispanic</div> <div style="width: 20%;"><input type="checkbox"/> American Indian or Alaskan Native</div> <div style="width: 20%;"><input type="checkbox"/> Asian or Pacific Islander</div> <div style="width: 20%;"><input type="checkbox"/> Persons with Disabilities</div> <div style="width: 20%;"><input type="checkbox"/> Other (specify specific special needs groups and number in deed restriction Specify _____)</div> </div>																	
2b. Type of Affirmative Marketing Plan: (mark only one) <div style="display: flex; flex-wrap: wrap;"> <div style="width: 25%;"><input type="checkbox"/> Project Plan</div> <div style="width: 25%;"><input type="checkbox"/> Minority Area</div> <div style="width: 25%;"><input type="checkbox"/> White (non-minority) Area</div> <div style="width: 25%;"><input type="checkbox"/> Mixed Area (with _____% minority residents)</div> </div> <input type="checkbox"/> Annual Plan (for single-family scattered site units) Note: A separate Annual Plan must be developed for each type of census tract in which the housing is to be built.																	
2c. Marketing Program: Commercial Media: (Check the type of media to be used to advertise the availability of this housing) <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/> Newspapers/Publications</div> <div><input type="checkbox"/> Radio</div> <div><input type="checkbox"/> TV</div> <div><input type="checkbox"/> Billboards</div> <div><input type="checkbox"/> Other (specify)</div> </div> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Name of Newspaper, Radio or TV Station</th> <th style="width: 33%;">Racial/Ethnic Identification of Readers/Audience</th> <th style="width: 33%;">Size/Duration of Advertising</th> </tr> </thead> <tbody> <tr> <td>Housing Resource Center (Not applicable to special need units)</td> <td style="text-align: center;">All</td> <td>Until fully rented</td> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>			Name of Newspaper, Radio or TV Station	Racial/Ethnic Identification of Readers/Audience	Size/Duration of Advertising	Housing Resource Center (Not applicable to special need units)	All	Until fully rented									
Name of Newspaper, Radio or TV Station	Racial/Ethnic Identification of Readers/Audience	Size/Duration of Advertising															
Housing Resource Center (Not applicable to special need units)	All	Until fully rented															
2d. Marketing Program: Brochures, Signs, and HUD's Fair Housing Poster: (1) Will brochures, letters, or handouts be used to advertise? <input type="checkbox"/> Yes <input type="checkbox"/> No (2) For project site sign, indicate sign size _____ x _____; Logotype size _____ x _____ (3) HUD's Fair Housing Poster must be conspicuously displayed wherever sales/rentals and showings take place. Fair Housing Posters will be displayed in the <div style="display: flex; justify-content: space-between;"> <div><input type="checkbox"/> Sales/Rental Office</div> <div><input type="checkbox"/> Real Estate Office</div> <div><input type="checkbox"/> Model Unit</div> <div><input type="checkbox"/> Other (specify)</div> </div>																	

II. MARKETING (continued)

2e. Future Marketing Activities (Rental Units Only) Mark the box(s) that best describe marketing activities to fill vacancies as they occur after the project has been initially occupied.

- ☐ Newspapers/Publications
 ☐ Radio
 ☐ TV
 ☐ Brochures/Leaflets/handouts
 ☐ Site Signs
☐ Housing Resource Center Website
 ☐ Community Contacts
 ☐ Other (specify)

III. COMMUNITY CONTACTS

3. To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the groups/organizations listed below that are located in the housing market area or SMSA. If more space is needed, attach an additional sheet. Notify HUD-FHEO of any changes in this list.

Name of Group/Organization:	Racial/Ethnic Identification:	Approximate Date:	Person Contacted or to be Contacted:
Address & Phone Number:	Method of contact:		Indicate the specific function the Group/Organization will undertake in implementing the marketing program:

IV. STAFF EXPERIENCE

4. Staff has experience. ☐ Yes ☐ No

Additional considerations: Attach additional sheets as needed:

V. CERTIFICATIONS AND ENDORSEMENTS

I hereby certify that the above information is true and correct to the best of my knowledge. I understand that knowingly falsifying the information contained herein may affect NJHMFA financial assistance for this project.

After consultation with NJHMFA, the applicant's signature affirms that changes necessary to ensure continued compliance with the affirmative fair housing marketing requirement will be made.

Name (Type or Print)

Name of Municipality or Housing Sponsor

Signature of Person Submitting Plan (Contact Person)

Date _____

Title

Affirm.pln

Approved by: _____

Rosie Jackson, Assistant Director of Property Management
New Jersey Housing and Mortgage Finance Agency

Revised – 12-08-10 (rj)

COMPANY QUESTIONNAIRE

HMFA #: _____
PROJECT: _____
DATE: _____
SERVICE: _____

NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY CERTIFICATION AND QUESTIONNAIRE

(Corporation, Partnership, Limited Liability Company, Other: _____)
(Circle or Select One)

State of Formation: _____

This information is necessary to obtain the approval of the NJHMFA, and it will be expressly relied upon. Complete each item, using *NONE* or *NOT APPLICABLE* where necessary. If more space is needed to answer any specific item, use a separate sheet.

A. Applicant (use official names without abbreviations):

_____		Name	
_____	_____	_____	City
Street			
_____	_____	_____	Zip Code
County	State		
_____	_____	_____	Employer's I.D. No.
Telephone #			

Organizational ID No. (from State of formation)

B. Please describe the type of services to be provided to the project and the amount and method of compensation:

C. Is the Applicant a subsidiary or direct or indirect affiliate of any other organization? If so, indicate name of related organization and relationship.

- D. Management: **List all owners, officers, directors, partners of applicant, and any stockholders that have a 10% interest or more in applicant.** If the applicant is a publicly held corporation, please provide the latest proxy statement indicating stock ownership. Complete all columns for each such person showing the percentage of ownership interest. (Use additional sheet if necessary).

<u>NAME</u>	<u>HOME ADDRESS</u>	<u>DATE</u>	<u>BIRTH BIRTH</u>	<u>PLACE SS#</u>	<u>OFFICE HELD</u>	<u>PERCENTAGE OWNERSHIP</u>
-------------	---------------------	-------------	--------------------	------------------	--------------------	-----------------------------

- E. For all individuals named in Item D above list all other companies, partnerships or associations in which such persons have **more than 10% interest** or in which such person is an officer, director or partner. Complete all columns for each person showing the percentage of ownership interest. (If none, so state. Use additional sheets if necessary).

<u>NAME</u>	<u>COMPANY, PARTNERSHIP, ASSOCIATION</u>	<u>HELD</u>	<u>% INTEREST</u>
-------------	--	-------------	-------------------

- F. Other than as described above, does the applicant or any person listed in Items D or E have any present or past interest in or relationship with the project or the property on which it is located or with the owner or manager of same? Do any of the parties have any identity of interest whatsoever now existing or which will exist in connection with the project?

_____yes

_____no

If yes, furnish details on separate attachment

- G. Has the applicant or any person listed in Items D or E above, shared or accepted any compensation or will they share or accept any compensation directly or indirectly in any form or with any other party with an interest in or a relationship to the project?

_____yes _____no If yes, furnish details on separate attachment

- H. Has the applicant or any person listed in Items D and E above, entered into any agreement, participated in a collusion, or otherwise taken any action in restraint of free and competitive bidding or negotiation in connection with the services to be provided?

_____yes _____no If yes, furnish details on separate attachment

- I. Have any of the above parties, within the last five years, been a party defendant in litigation or administrative proceedings involving laws governing hours of labor, minimum wage standards, discrimination in wages, child labor, worker's compensation, payroll or withholding taxes, employment discrimination or occupational safety and health?

_____yes _____no If yes, furnish details on separate attachment

- J. Is applicant or management of applicant or any of the persons listed in Items D or E now a plaintiff or defendant in any civil or criminal litigation?

_____yes _____no If yes, furnish details on separate attachment

- K. Have any of the persons listed in Items D or E been subject to any disciplinary action, past or pending, by any administrative, governmental or regulatory body?

_____yes _____no If yes, furnish details on separate attachment

- L. Have any of the persons listed in Items D or E been or are they now subject to any order resulting from any criminal, civil or administrative proceedings brought against them by any administrative, governmental, or regulatory agency?

_____yes _____no If yes, furnish details on a separate attachment

- M. Have any of the persons listed in Items D or E been denied any license by any administrative, governmental, or regulatory agency on the grounds of moral turpitude?
- _____yes _____no If yes, furnish details on a separate attachment
- N. Has the applicant or management of applicant or any of the persons listed in Items D or E been informed of any current or on-going investigation of the applicant or management of the applicant for possible violation of State or Federal laws, or has the applicant or management of the applicant been indicted or subpoenaed by any grand jury or investigative body or had any records subpoenaed by any grand jury investigative body?
- _____yes _____no If yes, furnish details on a separate attachment
- O. Has the applicant or any person listed in Items D or E above or any concern with which any person(s) listed in Items D or E has been connected, ever been in receivership or adjudicated a bankrupt?
- _____yes _____no If yes, furnish details on a separate attachment
- P. Has the applicant or any person listed in Items D or E above been denied a business related license or had it suspended or revoked by an administrative governmental or regulatory agency?
- _____yes _____no If yes, furnish details on a separate attachment
- Q. Has the applicant or any person listed in Items D or E above been debarred, suspended or disqualified from contracting with any federal, state or municipal agency?
- _____yes _____no If yes, furnish details on a separate attachment
- R. Has the applicant, if a corporation, had its charter revoked or suspended in the State of New Jersey?
- _____yes _____no If yes, furnish details on a separate attachment
- S. Are any of the persons listed in Items D and E above, or any of the applicant's supervisory employees or any members of their respective families, employed with the NJ Housing and Mortgage Finance Agency?
- _____yes _____no If yes, furnish details on a separate attachment

T. Does any employee or member of the NJ Housing and Mortgage Finance Agency have any interest, direct or indirect, in the applicant's business?

_____yes _____no

If yes, furnish details on a separate attachment

1. Name, address & telephone number of Counsel to applicant:

2. Name, address & telephone number of loan officers at principal bank(s) of account:

3. Name, address & telephone number of accountant to applicant:

CERTIFICATION: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto, to the best of my knowledge, are true and complete. I acknowledge that the New Jersey Housing and Mortgage Finance Agency is relying on the information contained herein and thereby acknowledge that the undersigned entity is under a continuing obligation, from the date of this Certification through the completion of any contracts with the Owner of subject Project, to notify the Agency in writing of any changes to the answers or information contained herein. I acknowledge that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am and/or the undersigned entity is subject to criminal prosecution under the law and that it will also constitute a material breach of any agreement between the undersigned entity and the Owner of the subject Project and that either the Owner or the New Jersey Housing and Mortgage Finance Agency, at its option, may declare all such contracts associated with the subject Project void and unenforceable.

The undersigned entity authorizes the New Jersey Housing and Mortgage Finance Agency to verify any answer(s) contained herein, to investigate the background and credit worthiness of the undersigned entity and to enlist the aid of third parties including State police checks which may be completed by the New Jersey Housing and Mortgage Finance Agency in its investigative process. The undersigned entity further authorizes the New Jersey Housing and Mortgage Finance Agency to disclose any of the foregoing information and any information discovered in any investigation pursuant to this certification to any party which has entered or is entering into any contract with the undersigned entity in connection with the subject Project.

COMPANY NAME _____

SIGNATURE _____

NAME (PRINT) _____

TITLE _____

DATE _____

BE IT REMEMBERED, that on this _____ day of _____, 20____ before me personally appeared _____, who, I am satisfied is the person named in the within instrument and who, being duly sworn upon his/her oath has executed the same as his/her voluntary act and deed.

Notary Public

PERSONAL QUESTIONNAIRE

HMFA# _____
PROJECT _____
DATE _____
SERVICE _____
PRIOR HMFA PROJECT REFERENCE
IF APPLICABLE: _____

**NEW JERSEY HOUSING & MORTGAGE FINANCE AGENCY
CERTIFICATION AND QUESTIONNAIRE**

(Personal)

This information is necessary to obtain the approval of the NJHMFA, and it will be expressly relied upon. **PLEASE ANSWER EACH QUESTION. Write *NONE* or *NOT APPLICABLE* where necessary but do not leave blank. If more space is needed to answer an item, use a separate sheet of paper.**

- A. Applicant (Officer, Director, Partner, Shareholder of 10% or more interest, or individual noted in question D of Company Questionnaire.)

Circle appropriate category and indicate name of entity.

Name		

Street	City	
_____	_____	
County	State	Zip Code
_____	_____	_____
Telephone #		

Date of Birth	Place of Birth	
_____	_____	

- B. Please describe the type of services to be provided to the project and the amount and method of compensation: **MUST ANSWER.**

FOR EXAMPLES: BOARD MEMBER OR TRUSTEE OF NON PROFIT; OR PRESIDENT, VICE PRES., SECRETARY OF ANY "PRINCIPAL" ENTITY SUCH AS THE SPONSOR, OWNER, ARCHITECT, GENERAL CONTRACTOR.
COMPENSATION: GENERAL INFORMATION... DEVELOPER FEE, OR PER AIA CONTRACT FOR....

- C. Other than as described in Item B, do you have any present interest in or relationship with the project or the property on which it is located or do you have any identity of interest whatsoever now existing or which will exist in connection with the project?

_____yes _____no If yes, furnish details on separate attachment

- D. Have you shared or accepted any compensation or will you share or accept any compensation directly or indirectly in any form whatsoever from or with any other party with an interest in or a relationship to the project?

_____yes _____no If yes, furnish details on separate attachment

- E. Have you entered into any agreement, participated in a collusion, or otherwise taken any action in restraint of free and competitive bidding or negotiation in connection with the services to be provided?

_____yes _____no If yes, furnish details on separate attachment

- F. Please list all other companies, partnerships, or associations in which you have more than a 10% interest. (Use a separate page if needed). WRITE "NONE" IF NEEDED.

- G. Have you within the last five years, been a party defendant in litigation or administrative proceedings involving laws governing hours of labor, minimum wage standards, discrimination in wages, child labor, worker's compensation, payroll or withholding taxes, employment discrimination or occupational safety and health?

_____yes _____no If yes, furnish details on separate attachment

- H. Have you ever been charged with, or convicted of any criminal offenses other than a minor motor vehicle violation?

_____yes _____no If yes, furnish details on separate attachment

- I. Are you now a plaintiff or defendant in any civil or criminal litigation?

_____yes _____no If yes, furnish details on separate attachment

- J. Have you been subject to any disciplinary action, past or pending, by any administrative, governmental or regulatory body?
- _____yes _____no If yes, furnish details on separate attachment
- K. Are you now subject to any order resulting from any criminal, civil or administrative proceedings brought against them by any administrative, governmental, or regulatory agency?
- _____yes _____no If yes, furnish details on separate attachment
- L. Have you been denied any license by any administrative, governmental or regulatory agency on the grounds of moral turpitude?
- _____yes _____no If yes, furnish details on a separate attachment
- M. Are you or any member of your family (including in-laws) the subject of a current or on-going investigation with respect to possible violations of State or Federal laws, or has the applicant or management of the applicant been indicted or subpoenaed by any grand jury or investigative body or had any records subpoenaed by any grand jury or investigative body?
- _____yes _____no If yes, furnish details on a separate attachment
- N. Have you ever been adjudicated a bankrupt or filed for bankruptcy?
- _____yes _____no If yes, furnish details on a separate attachment
- O. Have you ever been denied a business-related license or had it suspended or revoked by any administrative, governmental or regulatory agency?
- _____yes _____no If yes, furnish details on a separate attachment
- P. Have you ever been debarred, suspended, or disqualified from contracting with any federal state or municipal Agency?
- _____yes _____no If yes, furnish details on a separate attachment
- Q. Are you or any members of your family employed with the NJ Housing and Mortgage Finance Agency?
- _____yes _____no If yes, furnish details on a separate attachment